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(Stock Exchange Code 4837)  
June 9, 2022

**To Shareholders with Voting Rights:**

Kinichi Shida  
Chairman and President  
SHiDAX CORPORATION  
6-3, Chofugaoka 3-chome, Chofu City,  
Tokyo

**NOTICE OF THE 21st ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially notified of the 21st Annual General Meeting of Shareholders of SHiDAX CORPORATION (the “Company”). The meeting will be held for the purposes as described below.

**In order to prevent the spread of COVID-19, we ask our shareholders to refrain from coming to the meeting in person and exercise their voting rights in advance via the Internet or in writing (by postal mail) where possible. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 6:00 p.m. on Thursday, June 23, 2022, Japan time.** Please check your health condition and take measures such as wearing a face mask if you will come to the meeting in person. The Company may, on its own discretion, take necessary measures at the venue of this General Meeting of Shareholders for our shareholders’ safety and to prevent further spread of COVID-19, and we ask for your cooperation.

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m.)
- 2. Place:** SHiDAX Culture Hall, 8F of SHiDAX Culture Village located at 12-10, Jinnan 1-chome, Shibuya-ku, Tokyo, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report, Consolidated Financial Statements for the Company’s 21st Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Accounting Auditors and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 21st Fiscal Year (April 1, 2021 - March 31, 2022)

**Proposals to be resolved:**

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Six (6) Directors
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member
- Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members
- Proposal 5:** Determination of Remuneration for Allotting Restricted Stock to Directors (Excluding External Directors)

- To prevent the spread of COVID-19, a limit to the number of people admitted to the venue (50 people who register in advance, on a first come first served basis) will be enforced. Please read the following page for details. Shareholders who do not register in advance will not be able to attend the meeting. For shareholders who register in advance, please submit the enclosed Voting Rights Exercise Form at the reception desk of the venue on the day of the meeting. In addition, please note that shareholders who register in advance will have their body temperature taken at the reception, and shareholders who have a fever may be declined entry to the venue.
- Should the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements, and the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (<https://www.shidax.co.jp/corporate/ir/>).
- Matters Regarding Stock Acquisition Rights, etc. of the Business Report, Notes to the Consolidated Financial Statements of Consolidated Financial Statements, and Notes to the Non-consolidated Financial Statements of Non-consolidated Financial Statements are posted on the Company's website (<https://www.shidax.co.jp/corporate/ir/>) in accordance with provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation and therefore are not provided in this Notice. In addition, the Appendix to this Notice comprise part of the documents audited by the Accounting Auditors and Audit & Supervisory Board Members when preparing their respective audit reports.
- From the perspective of shortening the duration of the meeting in order to prevent the spread of COVID-19, explanations on the matters to be reported (including the Audit Reports) and details of the proposals will be omitted at this General Meeting of Shareholders. We ask our shareholders to read through this Notice in advance.
- The above measures may be updated in accordance with conditions of the spread of COVID-19 and governmental announcements, etc., during the period until the day of the General Meeting of Shareholders. (It is possible that due to conditions of the spread of COVID-19, the venue or the time of the meeting may be changed.) Please confirm such information on the Company's website (<https://www.shidax.co.jp/corporate/ir/>).
- Please understand that no souvenirs will be handed out at this Annual General Meeting of Shareholders.

## **How to Register in Advance -For Shareholders Attending this General Meeting of Shareholders-**

At this General Meeting of Shareholders, considering the conditions of COVID-19 and in order to ensure the safety of our shareholders while preventing further spread of COVID-19, a limit to the number of people admitted to the venue (50 people who register in advance, on a first come first served basis) will be enforced. Please carefully consider whether to attend the meeting. If you wish to attend the meeting, please follow the instructions below to register for attendance.

### ■ How to Register (Registration period: from June 9, 2022 to June 18, 2022)

- (1) Access the dedicated website by either directly inputting the URL below or reading the QR code with your computer or smartphone, etc.

URL for the dedicated website:      <https://www.shidax.co.jp/sks2022/>      (QR code)



- (2) Upon accessing the dedicated website, please follow the instructions on the screen and input the following required items.

[Required items]

- a. Shareholder number (the 9-digit number printed on the enclosed Voting Rights Exercise Form)
- b. Name
- c. Name (in Katakana)

- (3) Once the registration process is completed, “Registration completed” will be displayed, and the advance registration has been established.

- (4) When registering, if the shareholder number, etc., are not entered correctly, you will be excluded from advance registration even if you finished the registration process.

### ■ Notes concerning advance registration

- (1) The personal information you would input for the purpose of the registration shall only be used for operations related to this General Meeting of Shareholders, including advance registration, etc.

- (2) Any fees incurred accessing the dedicated website (such as fees for an Internet connection, telecommunication charges), travelling expenses for going to and from the venue, lodging expenses, etc., shall be borne by the shareholder.

## Livestream for Our Shareholders

This General Meeting of Shareholders will be livestreamed on the Internet on the day of the meeting. We urge our shareholders to refrain from coming to the meeting and utilize the livestream in order to comply with the measures for preventing the spread of COVID-19.

### ■ How to view the livestream

- (1) Please access the website for livestream of the General Meeting of Shareholders of the Company using the URL below 10 minutes before the meeting starts, and input the password for viewing.

Homepage of the Company      Corporate Information      “IR News” (Only in Japanese)

URL:      <https://www.shidax.co.jp/corporate/ir/>

Password:      Sdx9591

\* All characters shall be half-width. Please be careful with the width and capitalization of the characters.

- (2) The video livestream will start automatically at the start time of the meeting.  
If the page does not automatically switch at the start time, please refresh your browser.

### ■ Notes

- The livestream is only for viewing, therefore you will not be able to ask questions through the livestream. Shareholders viewing the livestream will not be able to participate in the resolution on the day of the meeting.
- Depending on the device you use and the viewing environment, you may not be able to view the video.
- Connection fees and telecommunication charges incurred for viewing shall be borne by the shareholder.
- It is prohibited to provide to a third party, show in public, republish, or copy the video or audio of the livestream, or to convey to a third party the log-in method, etc.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for the amendment

The revised stipulations stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022, and the Company proposes the following amendments to the Company’s Articles of Incorporation in preparation for the implementation of the system for electronic provision of materials for general meetings of shareholders.

- (1) Article 15, Paragraph 1 of the proposed amendment stipulates that information that is the content of Reference Documents for the General Meeting of Shareholders, etc., shall be provided electronically.
- (2) Article 15, Paragraph 2 of the proposed amendment establishes stipulations to limit the scope of matters to be included in physical documents that are provided to shareholders who have requested provision of physical documents.
- (3) As stipulations concerning Internet disclosure and deemed provision of Reference Documents for the General Meeting of Shareholders, etc. (Article 15 of the current Articles of Incorporation) will no longer be necessary, these shall be deleted.
- (4) Supplementary provisions shall be established concerning the effective date, etc., in line with the new establishments and deletions above.

#### 2. Description of the amendment

Description of the amendment is as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendment
<p><u>(Internet disclosure and deemed provision of Reference Documents for the General Meeting of Shareholders, etc.)</u>  <u>Article 15. In the convocation of general meetings of shareholders, the Company may deem that it has provided to shareholders information concerning matters that must be described or indicated in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, and the Consolidated Financial Statements via Internet disclosure in conformity with provisions provided in the Ordinance of Ministry of Justice.</u></p> <p>&lt;Newly established&gt;</p>	<p>&lt;Deleted&gt;</p> <p><u>(Measures for electronic provision, etc.)</u>  <u>Article 15. In the convocation of general meetings of shareholders, the Company shall provide information that is the content of Reference Documents for the General Meeting of Shareholders, etc. electronically.</u></p>

<p>&lt;Newly established&gt;</p>	<p><u>2. Of the matters to be provided electronically, the Company may choose not to include all or part of matters stipulated in the Ordinance of Ministry of Justice in the physical documents to be sent to shareholders who have requested them by the record date for voting rights.</u></p> <p><u>(Supplementary provisions)</u></p> <p><u>1. The amendment of Article 15 of the Articles of Incorporation shall take effect from September 1, 2022, which is the date of enforcement of the revised stipulations stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p> <p><u>2. Notwithstanding the stipulations of the previous paragraph, Article 15 (Internet disclosure and deemed provision of Reference Documents for the General Meeting of Shareholders, etc.) of the Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a day that is within six months of the Effective Date.</u></p> <p><u>3. These supplementary provisions shall be deleted on the day after which six months have elapsed since the Effective Date or the day after which three months have elapsed since the day of the General Meeting of Shareholders set force in the previous paragraph, whichever is later.</u></p>
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**(Reference) System for electronic provision**

The system for electronic provision of materials for general meetings of shareholders will be enforced on September 1, 2022.

The system for electronic provision is a system where a company discloses materials for general meetings of shareholders\* on its website and delivers a paper-based notice to its shareholders stating that the materials are posted on such website, and describing the web address, etc., thereof, to provide our shareholders with materials for general meetings of shareholders.

\* Materials for general meetings of shareholders refer to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Audit Reports, the Non-consolidated Financial Statements, and the Consolidated Financial Statements.

■ For details of the system for electronic provision, please refer to the following (in Japanese only):

Guide to the system for electronic provision (Partial amendment of the Companies Act)

<https://www.smtb.jp/personal/procedure/agency/kaisyahou>



FAQ on Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank, Limited

[https://faq-agency.smtb.jp/category/show/414?site\\_domain=personal](https://faq-agency.smtb.jp/category/show/414?site_domain=personal)



Dedicated call center operated by Sumitomo Mitsui Trust Bank, Limited

0120-533-600

Operating Hours: 9:00 a.m. to 5:00 p.m.

(Excluding Saturdays, Sundays, Holidays, and from December 31 to January 3)

**Proposal 2:** Election of Six (6) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed.

The candidates for Directors are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Kinichi Shida [Reappointment]	Chairman and President	13 out of 13 meetings (100%)
2	Tsutomu Shida [Reappointment]	Founder and Director, Supreme Adviser	13 out of 13 meetings (100%)
3	Shinichi Shibayama [Reappointment]	Director and Senior Managing Corporate Officer In charge of Headquarters (Group Strategic Management Division, Group Administrative Management Division and Group Human Resources Division) and Divisional Head, Group Human Resources Division, and responsible for Public Relations Office, Quality Control Office and SHiDAX Research Institute	13 out of 13 meetings (100%)
4	Makoto Kawai [Reappointment] [External] [Independent]	External Director	13 out of 13 meetings (100%)
5	Tatsuo Kawasaki [Reappointment] [External]	External Director	13 out of 13 meetings (100%)
6	Masatoshi Hori [Reappointment] [External] [Independent]	External Director	10 out of 10 meetings (100%)

(Note) For Director Masatoshi Hori, the attendance after he assumed office on June 24, 2021 is stated.



No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Type and number of shares of the Company held
1	Kinichi Shida (September 5, 1957)  [Reappointment]	<p>November 1981    Joined Caft Food Service Corporation (currently SHiDAX CONTRACT FOOD SERVICE CORPORATION) General Manager of Sales Promotion Department</p> <p>April 1985        Director of Caft Food Service Corporation</p> <p>March 1991        Vice President and Representative Director of Shida Corporation (currently SHiDAX CONTRACT FOOD SERVICE CORPORATION)</p> <p>September 1997    President and Representative Director of SHiDAX Corporation (currently SHiDAX CONTRACT FOOD SERVICE CORPORATION)</p> <p>June 2000         Director of SHiDAX COMMUNITY CORPORATION</p> <p>October 2000      Representative Director of SHiDAX COMMUNITY CORPORATION</p> <p>April 2001         President and Representative Director of the Company Executive Vice President and Representative Director of SHiDAX COMMUNITY CORPORATION</p> <p>January 2004      President and Representative Director of SHiDAX COMMUNITY CORPORATION</p> <p>June 2008         Chairman and Director of DAISHINTO Inc.</p> <p>May 2010          President and Representative Director of DAISHINTO Inc.</p> <p>June 2011         Chairman and Representative Director of DAISHINTO Inc.</p> <p>June 2012         Chairman and President of the Company (to present)</p> <p>[Significant concurrent positions] Chairman and Representative Director of SHiDAX CONTRACT FOOD SERVICE CORPORATION Director of SHIDA Holdings Corporation. Director of Japan Contract Food Service Association</p>	Common stock: 1,225,856 shares
<p>[Reason for nomination as candidate for Director] Having a wealth of experience as a business manager of the Group, Mr. Kinichi Shida has shown strong leadership in the Group's regrowth strategy for , in the name of "Re-Growth SHiDAX" which is our policy for business development. The Company expects him to utilize his experience as the Company's President through the Board of Directors to realize business growth and improvement of corporate value for the Company in the future, as well as appropriately supervise the Group as a whole.</p>			
2	Tsutomu Shida (October 14, 1934)  [Reappointment]	<p>May 1960         Established Fuji Shokuhin Kogyo Co., Ltd. (currently SHiDAX CONTRACT FOOD SERVICE CORPORATION) President and Representative Director</p> <p>August 1993      Established SHiDAX Community Plaza Corp. (currently SHiDAX COMMUNITY CORPORATION.) President and Representative Director</p> <p>September 1997    Chairman and Representative Director of SHiDAX COPRORATION (currently SHiDAX CONTRACT FOOD SERVICE CORPORATION)</p> <p>March 1999        Chairman, President and Representative Director of SHiDAX COMMUNITY CORPORATION</p> <p>October 2000      Chairman and Representative Director of SHiDAX COMMUNITY CORPORATION</p> <p>April 2001         Chairman of the Company</p> <p>June 2012         Founder and Director, Supreme Adviser of the Company (to present)</p> <p>[Significant concurrent positions] Representative Director of SHIDA Holdings Corporation.</p>	Common stock: 1,203,332 shares
<p>[Reason for nomination as candidate for Director] Mr. Tsutomu Shida has made efforts to establish various businesses as a founder and has built the Group to where it is today. He has insights and deep knowledge nurtured by his wealth of experience as a business manager of the Group, therefore the Company expects him to appropriately supervise the Group as a whole.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Type and number of shares of the Company held
3	Shinichi Shibayama (June 2, 1957)  [Reappointment]	<p>April 1980      Joined NEC Corporation</p> <p>August 1990    Joined Nomura Research Institute, Ltd.</p> <p>April 2002      Headquarter Manager, Consulting Division I of Nomura Research Institute, Ltd.</p> <p>April 2004      Headquarter Manager, Consulting Business Promotion Division of Nomura Research Institute, Ltd.</p> <p>April 2005      Department Manager, Corporate Communications Department of Nomura Research Institute, Ltd.</p> <p>April 2009      Department Manager, Administration Department of Nomura Research Institute, Ltd.</p> <p>April 2012      President of NRI Data i Tech, Ltd.</p> <p>July 2015        President of NRI Mirai, Ltd.</p> <p>April 2017      Professor of The Graduate School of Information &amp; Communication (currently The Graduate School of Social Design) (to present)</p> <p>June 2018      Director of Wilson Learning Worldwide Inc. (to present)</p> <p>April 2019      Joined the Company Corporate Officer, Divisional Head, SHiDAX Research Institute and Marketing Division, and General Manager, Management Reform Promotion Office of the Company</p> <p>June 2019      Director of the Company (to present)</p> <p>September 2019    Overseeing Management Reform Promotion Office and Divisional Head of SHiDAX Research Institute and Marketing Division of the Company</p> <p>April 2020      Senior Managing Corporate Officer, Divisional Head, Group Strategic Management Division and Group Administrative Management Division, and responsible for Quality Control Office and Public Relations Office of the Company</p> <p>April 2021      In charge of Group Strategic Management Division, Group Administrative Management Division, TOS Business Division and other four subsidiaries, and responsible for Quality Control Office, Public Relations Office and SHiDAX Research Institute of the Company</p> <p>April 2022      Director, Senior Managing Corporate Officer, in charge of Headquarters (Group Strategic Management Division, Group Administrative Management Division and Group Human Resources Division), Divisional Head, Group Human Resources Division, and responsible for Public Relations Office, Quality Control Office and SHiDAX Research Institute of the Company (to present)</p> <p>[Significant concurrent positions] Director (Independent Outside Director) of Wilson Learning Worldwide Inc. Professor of The Graduate School of Social Design</p>	Common stock: 37,243 shares
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shinichi Shibayama has broad insights and deep knowledge in fields such as consulting and public relations. The Company expects him to utilize his insights in the role as a representative executing business through the Board of Directors to realize business growth and improvement of corporate value for the Company in the future, as well as appropriately supervise the Group as a whole.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Type and number of shares of the Company held
4	<p data-bbox="201 763 400 819">Makoto Kawai (October 26, 1960)</p> <p data-bbox="213 853 387 943">[Reappointment] [External] [Independent]</p>	<p data-bbox="432 275 544 297">April 1986</p> <p data-bbox="432 365 544 387">April 1989</p> <p data-bbox="432 432 544 454">April 2001</p> <p data-bbox="432 499 544 521">April 2005</p> <p data-bbox="432 589 544 611">April 2012</p> <p data-bbox="432 678 544 701">April 2015</p> <p data-bbox="432 745 544 768">June 2016</p> <p data-bbox="432 779 544 801">April 2018</p> <p data-bbox="432 857 544 880">April 2019</p> <p data-bbox="432 891 544 913">April 2021</p> <p data-bbox="432 1014 544 1037">May 2021</p> <p data-bbox="432 1137 544 1160">March 2022</p> <p data-bbox="432 1227 775 1249">[Significant concurrent positions]</p> <p data-bbox="432 1261 1289 1305">Visiting Professor at Research Course for Management Information, Tama Graduate School of Business</p> <p data-bbox="432 1317 1289 1361">Acting Head of Institute of Autonomous Driving and Head of Regional Revitalization Department, Meiji University</p> <p data-bbox="432 1373 1289 1417">Director and Chairperson of Regional Popularizing Committee of The Incorporated Association of Future Design for Healthy Life and Health-Care Living</p>	0 shares
<p data-bbox="196 1440 1126 1462">[Reason for nomination as candidate for External Director and overview of expected roles]</p> <p data-bbox="196 1473 1453 1608">Mr. Makoto Kawai has nurtured extensive experience and knowledge at JA Kyosai Research Institute, Tama Graduate School, and Institute of Autonomous Driving of Meiji University, etc. Although he does not have experience directly involved in management of a company, the Company judges that he will be able to provide beneficial advice and supervision to the Company's overall management from a fair and objective perspective to further strengthen and enhance the management structure with his professional viewpoints driven by his insights.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Type and number of shares of the Company held
5	Tatsuo Kawasaki (June 9, 1965)  [Reappointment] [External]	April 1990      Joined Goldman Sachs Japan Co. Ltd. September 1995      Joined McKinsey & Company April 1998      Joined NextCard, Inc. April 1999      Partner of Unison Capital, Inc. February 2004      Director of Unison Capital, Inc. December 2009      Outside Director of Akindo Sushiro Co., Ltd. June 2011      Outside Director of ENOTECA CO.,LTD. March 2016      Outside Director of Ken Depot Corporation June 2017      Outside Director of DINAMIX Co., Ltd. March 2018      Outside Director of Suke-san Co., Ltd. May 2019      Representative Director of Unison Capital, Inc. (to present) July 2019      External Director of the Company (to present) [Significant concurrent positions] Representative Director of Unison Capital, Inc.	0 shares
		[Reason for nomination as candidate for External Director and overview of expected roles] Mr. Tatsuo Kawasaki serves as Representative Director of Unison Capital, Inc. and the Company judges that he will be able to give helpful opinions for enhancing the Group's governance based on his knowledge and experience on investments in companies across industries and on supporting business management.	
6	Masatoshi Hori (October 14, 1953)  [Reappointment] [External] [Independent]	April 1976      Joined Fuji Xerox Co., Ltd. January 1990      Joined The Japan Research Institute, Limited June 2001      Joined Pokka Corporation Director (Member of the Board), Director, Corporate Planning Department April 2003      Senior Managing Director of Pokka Corporation December 2005      President and Representative Director of Pokka Corporation June 2011      Chairman and Representative Director of Pokka Corporation March 2012      President and Representative Director of POKKA SAPPORO FOOD & BEVERAGE LTD. January 2014      Director and Advisor of POKKA SAPPORO FOOD & BEVERAGE LTD. June 2015      Outside Auditor of AICHI ELECTRIC CO., LTD. August 2015      Outside Director of INTER ACTION Corporation May 2019      Outside Director/Audit and Supervisory Board Member of KOMEDA Holdings Co., Ltd. (to present) March 2020      Outside Member of the Board of The Yokohama Rubber Co., Ltd. (to present) June 2021      External Director of the Company (to present) [Significant concurrent positions] Outside Director/Audit and Supervisory Board Member of KOMEDA Holdings Co., Ltd. Outside Member of the Board of The Yokohama Rubber Co., Ltd.	0 shares
		[Reason for nomination as candidate for External Director and overview of expected roles] Since he assumed office as Representative Director of Pokka Corporation (currently POKKA SAPPORO FOOD & BEVERAGE LTD.) in December 2005, Mr. Masatoshi Hori steered the management of the said company for many years and played a key role in its growth. With his broad insights and deep knowledge related to corporate management and business strategies, etc., the Company judges he will also be able to offer helpful opinions to the Group.	

(Notes)

1. Mr. Tatsuo Kawasaki serves as a Representative Director of Unison Capital, Inc., and the Company has concluded capital and business alliance agreements with Unison Capital Partners IV, LPS and Unison Capital Partners IV(F), L.P., which Unison Capital, Inc. operates or serves as an adviser. There are no special interests between any other candidates and the Company.
2. Messrs. Makoto Kawai, Tatsuo Kawasaki, and Masatoshi Hori are candidates for External Directors. In addition, Messrs. Makoto Kawai and Masatoshi Hori satisfy the criteria for independence of External Officers of the Company and are designated and registered as Independent Directors stipulated by Tokyo Stock Exchange, and if they are elected as originally proposed, Messrs. Makoto Kawai and Masatoshi Hori will continue to be designated as Independent Officers.

The terms of office as External Director of the Company for Messrs. Makoto Kawai, Tatsuo Kawasaki, and Masatoshi Hori are as follows.

(1) Mr. Makoto Kawai

The term of office as External Director of the Company for Mr. Makoto Kawai will be six (6) years at the conclusion of this General Meeting of Shareholders.

(2) Mr. Tatsuo Kawasaki

The term of office as External Director of the Company for Mr. Tatsuo Kawasaki will be two (2) years and eleven (11) months at the conclusion of this General Meeting of Shareholders.

(3) Mr. Masatoshi Hori

The term of office as External Director of the Company for Mr. Masatoshi Hori will be one (1) year at the conclusion of this General Meeting of Shareholders.

3. The Company has entered into an agreement limiting liabilities with each of Messrs. Makoto Kawai, Tatsuo Kawasaki, and Masatoshi Hori to limit their liabilities for the damages stipulated in Article 423, Paragraph 1 of the Companies Act to the extent of one million yen or the minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act, whichever is higher, provided that they have performed their duties in good faith and without gross negligence. If the reelections of Messrs. Makoto Kawai, Tatsuo Kawasaki, and Masatoshi Hori are approved, the Company plans to continue such agreement limiting liability with each of them.
4. The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company and the content of such agreement is as stated on page 36 of the Business Report (only in the Japanese original). Each of the candidates are already insured under such agreement and if they are reappointed, they will continue to be insured. The Company plans to renew the insurance agreement with the same content at the next renewal.
5. Each of the candidates does not hold any type of preferred shares of the Company.

**(Reference) Skill Matrix of the Directors**

In order to contribute to our stakeholders from a long-term perspective, the Company has defined important management issues, and fields where each Director should utilize his or her expertise to solve them.

Expertise expected of Directors	Kinichi Shida	Tsutomu Shida	Shinichi Shibayama	Makoto Kawai	Tatsuo Kawasaki	Masatoshi Hori
	Chairman and President	Founder and Director, Supreme Adviser	Director and Senior Managing Corporate Officer	Director (External)	Director (External)	Director (External)
Group Management, Strategies, M&A	●	●	●	●	●	●
Sales, Marketing	●	●				●
Finance, IR, Public Relations			●		●	●
Accounting, Compliance, Governance					●	
Human Resource Development, Diversity	●	●	●	●		●
DX, IT	●		●	●		
Solution for Social Issues (SDGs)	●	●	●	●	●	

**Proposal 3:** Election of 1 Audit & Supervisory Board Member

The terms of office of Audit & Supervisory Board Members Mr. Osamu Iwaisako and Mr. Shinichi Kazama will expire at the conclusion of this year's Annual General Meeting of Shareholders.

Accordingly, considering the current auditing structure of the Company, the Company proposes the election of one (1) Audit & Supervisory Board Member, reducing the number of Audit & Board Members by one (1).

If this proposal is approved as originally proposed, the Company's Audit & Supervisory Board will have one (1) full-time Audit & Supervisory Board Member, and Independent External Audit & Supervisory Board Members, which will comprise more than half of the Board. Therefore, it is considered that the auditing structure will maintain sufficient effectiveness.

The Audit & Supervisory Board has given its approval to this proposal.

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

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Type and number of shares of the Company held
Mari Takahashi (December 5, 1975)  [New appointment] [External] [Independent]	October 2002 Public prosecutor (at Tokyo District Public Prosecutors Office) March 2011 Registered as attorney (at Chiba Bar Association) January 2017 Joined Authense Law Office (currently Authense LPC) (to present)  [Significant concurrent positions] Attorney at Authense LPC	0 shares
[Reason for nomination as candidate for External Audit & Supervisory Board Member] Not only does Ms. Mari Takahashi have sufficient insights relating to legal affairs, governance, and compliance, which are expected as the Company's Audit & Supervisory Board Member, she also has experience in investigation and in courts as a public prosecutor. Therefore, the Company judges that she will be able to both actively offer helpful opinions to the Board of Directors and management team, as well as enrich diversity of the composition of the Company's Audit & Supervisory Board with different perspectives.		

(Notes)

1. There is no special interest between the candidate and the Company.
2. Ms. Mari Takahashi is a candidate for External Audit & Supervisory Board Member. Ms. Mari Takahashi satisfies the criteria for independence of External Officers of the Company and if her election is approved as originally proposed, she will be newly designated as an Independent Officer stipulated by Tokyo Stock Exchange.
3. If Ms. Mari Takahashi's election is approved, the Company plans to enter into an agreement limiting liabilities with her to limit her liability for damages to the extent of one million yen or the minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act, whichever is higher.
4. The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company and the content of such agreement is as stated on page 36 of the Business Report (only in the Japanese original). If Ms. Mari Takahashi's election is approved as originally proposed, she will be included as insured under such agreement. The Company plans to renew the insurance agreement with the same content at the next renewal.
5. Ms. Mari Takahashi does not hold any type of preferred shares of the Company.

**Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members

The effectiveness of the current substitute Audit & Supervisory Board Member will expire at the conclusion of this year’s Annual General Meeting of Shareholders.

Accordingly, in order to prepare for the occasion where the number of Audit & Supervisory Board Members falls below the minimum number stipulated by laws and regulations, the election of two (2) substitute Audit & Supervisory Board Members is proposed.

As candidates for substitute Audit & Supervisory Board Members, the election of Mr. Yoshiaki Senuma as a substitute for Audit & Supervisory Board Member Mr. Masataro Sekiguchi, and the election of Mr. Shinichi Kazama as a substitute for External Audit & Supervisory Board Member are proposed.

The effectiveness of the resolution on the election in this proposal shall be until the beginning of the Annual General Meeting of Shareholders for the last fiscal year ending within one year after the said resolution, pursuant to Article 31, Paragraph 3 of the Articles of Incorporation.

The Audit & Supervisory Board has given its approval to this proposal.

The candidates for substitute Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Type and number of shares of the Company held
1	Yoshiaki Senuma (November 15, 1972)	October 1998    Joined Asahi Audit Corp. (currently KPMG AZSA LLC) April 2011      Established Senuma CPA Office April 2011      Advisor of JETRO YANGON October 2011    Joined Japanese desk, Mazars Vietnam August 2014     Joined the Company Manager, Accounting Department April 2018      Corporate Officer and Divisional Head, Accounting and Finance Division of the Company April 2021      Corporate Officer and responsible for Finance Department and Accounting Department of the Company April 2022      General Manager, Internal Audit Office of the Company (to present)	0 shares
[Reason for nomination as candidate for substitute Audit & Supervisory Board Member] Mr. Yoshiaki Senuma is a certified public accountant and is well versed in the businesses and practical operations of the Company. The Company expects him to utilize his deep knowledge nurtured through such wealth of experience in the Company’s auditing structure.			
2	Shinichi Kazama (October 25, 1949)  [External] [Independent]	April 1973      Joined Jeugia Co., Ltd. July 1973      Joined Nippon Shinpan Co., Ltd. (currently Mitsubishi UFJ NICOS Co., Ltd.) March 1997     Manager, Advertising Department of Nippon Shinpan Co., Ltd. February 1998   Manager, Public Relations Department of Nippon Shinpan Co., Ltd. March 2005     Manager, Public Relations Department of UFJ NICOS Co., Ltd. April 2006      Senior Researcher, Public Relations Department of UFJ NICOS Co., Ltd. November 2009   Established KAZAMA’s Public Office (to present) February 2022   External Audit & Supervisory Board Member of the Company (to present) [Significant concurrent positions] Auditor of Risk Managers and Consultants Association of Japan Advisor of Koho Kakekomidera	0 shares
[Reason for nomination as candidate for substitute External Audit & Supervisory Board Member] The Company expects Mr. Shinichi Kazama to leverage his experience in corporate management, and knowledge and experience nurtured as a person in charge of the public relations department and risk management department, etc., for the Company’s auditing structure if he assumes office as an External Audit & Supervisory Board Member, and therefore proposes his election as a substitute Audit & Supervisory Board Member. Moreover, the Company makes comprehensive consideration on his aforementioned knowledge and experience, etc., and judges that he will be able to appropriately perform the duties.			

(Notes)

1. There are no special interests between the candidates and the Company.
2. Mr. Shinichi Kazama is a candidate for substitute External Audit & Supervisory Board Member.
3. If Messrs. Yoshiaki Senuma and Shinichi Kazama assume office as Audit & Supervisory Board Members, the Company plans to enter into an agreement limiting liabilities with each of them to limit their liabilities for the damages stipulated in Article 423, Paragraph 1 of the Companies Act to the extent of one million yen or the minimum liability amount set forth in Article 425, Paragraph 1 of the Companies Act, whichever is higher, provided that they have performed their duties in good faith and without gross negligence.
4. The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company and the content of such agreement is as stated on page 36 of the Business Report (only in the Japanese original). Each of the candidates will be included as insured under such agreement if they assume office as Audit & Supervisory Board Members. The Company plans to renew the insurance agreement with the same content at the next renewal.
5. Each of the candidates does not hold any type of the preferred shares of the Company.



## **Proposal 5: Determination of Remuneration for Allotting Restricted Stock to Directors (Excluding External Directors)**

The annual aggregate remuneration of Directors of the Company was resolved as 350 million yen or less (excluding the employee salary portion paid to Directors concurrently serving as employees) by the 5th Annual General Meeting of Shareholders held on June 29, 2006.

With a view of Directors of the Company (excluding External Directors) sharing the benefits and risks of stock price fluctuations with shareholders, and motivating them more than ever to contribute to increasing its stock price, as well as enhancing corporate value, the Company hereby proposes that Directors of the Company (excluding External Directors) be allotted shares of the Company's common stock (the "Restricted Stock") subject to certain transfer restriction periods and reasons for acquisition by the Company without contribution, among other matters, as follows.

Therefore, comprehensively taking into account the level of contributions of Directors to the Company and other various matters, the Company proposes to set the total amount of monetary remuneration claims to be paid to the Directors of the Company (excluding External Directors) as remuneration, etc., related to the Restricted Stock, at 50 million yen or less per year, separately from the aforementioned amount of remuneration for Directors.

The allotment of the Restricted Stock is determined based on a comprehensive consideration of various matters, including the level of contributions of Directors to the Company, and since the maximum number of the Restricted Stock to be allotted in each fiscal year as set forth in 2. below accounts for only about 0.43% (the ratio to the total number of shares issued and outstanding is approximately 4.3% in cases where the maximum number of the Restricted Stock is issued over a 10-year period) of the total number of shares issued and outstanding, which signifies that the dilution ratio is minimal, the Company believes that the content of the allotment is appropriate.

The Board of Directors of the Company has established a policy for determining details of remuneration, etc., for each individual Director, as outlined on pages 36 and 37 of the Business Report (only in the Japanese original), and the allocation of the Restricted Stock under this Proposal is in line with such policy.

The Company currently has six (6) Directors (including three (3) External Directors), and the number thereof will be the same even if Proposal 2 is approved as proposed.

### Specific details and maximum number of shares of Restricted Stock for Directors of the Company (excluding External Directors)

#### 1. Allotment of and payment of Restricted Stock

The Company shall grant monetary remuneration claims within the aforementioned annual amount to the Directors of the Company (excluding External Directors) as remuneration, etc., related to the Restricted Stock, based on a resolution of the Board of Directors of the Company, and each Director shall pay all of the said monetary remuneration claims by way of contribution in kind and shall, in return, be allotted the Restricted Stock.

The amount to be paid in for the Restricted Stock shall be determined by the Board of Directors of the Company based on the closing price of shares of common stock of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors regarding the issuance or disposal of such shares (if no trade was consummated on such date, the closing price of the immediately preceding trading day), which should be within the range not particularly advantageous to the Directors who are to subscribe for such Restricted Stock.

In addition, the above monetary remuneration claims shall be paid on the condition that Directors of the Company (excluding External Directors) agree to the above contribution-in-kind and that they have entered into Restricted Stock Allotment Agreement that includes the details set forth in 3. below.

#### 2. Total number of shares of Restricted Stock

The total number of shares of the Restricted Stock to be allotted to Directors of the Company (excluding External Directors) shall be within 170,000 shares in each fiscal year.

Notwithstanding the above, in the event of a stock split (including gratis allotment of shares of common stock of the Company) or a reverse stock split of shares of common stock of the Company, or any other circumstance necessitating the adjustment to the total number of shares of the Restricted Stock after the date of the resolution for this Proposal, such total number of shares of the Restricted Stock may be

adjusted within a reasonable range.

### 3. Details of Restricted Stock Allotment Agreement

Upon the allotment of the Restricted Stock, the Restricted Stock Allotment Agreement to be entered into between the Company and each Director to whom the Restricted Stock are allotted pursuant to the resolution of the Board of Directors of the Company shall include the following details.

#### (1) Details of Transfer Restrictions

During a period of not less than three years to be determined by the Board of Directors of the Company (the "Transfer Restriction Period"), the Directors who have received an allotment of the Restricted Stock may not dispose of the shares thereof allotted to him or her (the "Allotted Shares") in any manner, including transfer to third parties, establishment of a right of pledge, establishment of a security interest, advancement, or bequest (the "Transfer Restrictions").

#### (2) Acquisition of Restricted Stock without contribution

If a Director who has received an allotment of the Restricted Stock resigns or retires from any of the positions of Director, Corporate Officer, or employee of the Company on or after the start date of the Transfer Restriction Period and before the day preceding the first Annual General Meeting of Shareholders to be held thereafter, the Company shall automatically acquire the Allotted Shares without contribution, unless the reason for his/her retirement or resignation from office is deemed justifiable by the Board of Directors.

In addition, if there are any Allotted Shares for which the Transfer Restrictions have not been lifted pursuant to the reasons for such lifting set out in (3) below when the Transfer Restriction Period set out in (1) above expires, the Company shall automatically acquire without contribution those Allotted Shares.

#### (3) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions for all of the Allotted Shares held by a Director upon the expiration of the Transfer Restriction Period, on the condition that the Director to whom shares of the Restricted Stock have been allotted remains in any of the positions of Director, Corporate Officer, or employee of the Company up until the date of the first Annual General Meeting of Shareholders arriving on or after the start date of the Transfer Restriction Period.

Notwithstanding the above, if such Director resigns or retires from any of the positions of Director, Corporate Officer, or employee of the Company before the expiration of the Transfer Restriction Period for reasons deemed justifiable by the Board of Directors of the Company, the number of the Allotted Shares for which the Transfer Restrictions are lifted and the timing of lifting thereof shall be reasonably adjusted as necessary.

#### (4) Treatment in the Event of Organizational Restructuring, etc.

During the Transfer Restriction Period, if proposals relating to a merger agreement under which the Company is the disappearing company, a share exchange agreement, or share transfer plan under which the Company becomes a wholly-owned subsidiary of another company, or other organizational restructuring, etc., are approved at the Company's General Meeting of Shareholders (provided, however, that in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the said organizational restructuring, etc., at a meeting of the Board of Directors of the Company), the Company shall lift the Transfer Restrictions by a resolution of the Board of Directors prior to the date on which the organizational restructuring, etc., becomes effective, for the number of Allotted Shares that is reasonably determined considering the period from the start date of the Transfer Restriction Period to the approval date of the organizational restructuring, etc.

In cases specified above, the Company shall automatically acquire without contribution the Allotted Shares for which the Transfer Restrictions have not been lifted as of the time immediately after the expiration of the Transfer Restriction Period in accordance with the above provisions.

#### (Reference)

The Company intends to allot the same Restricted Stock as set out above to Corporate Officers (only those who have entered into a delegation agreement with the Company) of the Company after the conclusion of this Annual General Meeting of Shareholders.

## **(Reference) Criteria for Independence of External Officers of the Company**

In addition to the criteria for independence stipulated by the Tokyo Stock Exchange, Inc., the Company judges External Directors and External Audit & Supervisory Board Members (hereinafter, “External Officers”) as independent when such External Officers do not meet any of the items from (1) to (9) below.

- (1) A major shareholder of the SHiDAX Group (holding directly or indirectly 10% or more of total voting rights), or a business executor thereof (Note 1)
- (2) A person/entity that provides loan(s) that exceeds the standard stipulated by the Company to the SHiDAX Group, or a business executor thereof (Note 2)
- (3) A person/entity that conducts transaction(s) that exceeds the standard stipulated by the Company with the SHiDAX Group, or a business executor thereof (Note 3)
- (4) A person who provides professional services, such as a consultant, attorney, or certified public accountant, and obtains monetary or other financial benefits that exceeds 5 million yen in one fiscal year from the SHiDAX Group, other than compensation as its Officer
- (5) An Accounting Auditor of the SHiDAX Group or an employee thereof
- (6) A person or a person who belongs to a corporation, partnership, or other organization that receives donation(s) over a certain amount from the SHiDAX Group (Note 4)
- (7) A person who has fallen under any of (1) to (6) above in the past three fiscal years
- (8) A person who has fallen under any of the following (A) to (C) at any time in the ten years prior to their assumption of office
  - (A) A business executor of, or a Director who is not a business executor of, a parent company of a listed company
  - (B) An Audit & Supervisory Board Member of a parent company of a listed company (applies only to an External Audit & Supervisory Board Member designated as an Independent Officer)
  - (C) A business executor of a sister company of a listed company
- (9) A spouse of, or a relative within the second degree of kinship to, a person (other than those deemed unimportant) who falls under (A) to (H) below
  - (A) A person who falls under any of (1) to (8)
  - (B) An accounting advisor of the Company (including its employee who performs relevant duties if such accounting advisor is a corporation; the same applies to the items below) (applies only to an External Audit & Supervisory Board Member designated as an Independent Officer)
  - (C) A business executor of a subsidiary of the Company
  - (D) A Director who is not a business executor or an accounting advisor of a subsidiary of the Company (applies only to an External Audit & Supervisory Board Member designated as an Independent Officer)
  - (E) A business executor of, or a Director who is not a business executor of, the parent company of the Company
  - (F) An Audit & Supervisory Board Member of the parent company of the Company (applies only to an External Audit & Supervisory Board Member designated as an Independent Officer)
  - (G) A business executor of a sister company of the Company
  - (H) A person who has fallen under any of the preceding (B) to (D) or had been a business executor of a listed company (including a Director who is not a business executor if an External Audit & Supervisory Board Member is designated as an Independent Officer) in the past three fiscal years

(Note 1) “Business executor” refers to an Executive Director, Corporate Officer, or other employee.

(Note 2) “A person/entity that provides loan(s) that exceeds the standard stipulated by the Company” refers to a person/entity that provides monetary loan(s) that exceeds 2% of the Company's consolidated total assets to the SHiDAX Group as of the end of the latest fiscal year.

(Note 3) “A person/entity that conducts transaction(s) that exceeds the standard stipulated by the Company” refers to a person/entity that conducts transaction(s) in the amount that exceeds 2% of the yearly consolidated net sales of the SHiDAX Group. This includes financing transactions in a broad sense.

(Note 4) “Donation(s) over a certain amount” refers to donation(s) that exceeds 5 million yen in one fiscal year.