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Securities Code: 4674

May 30, 2022

Dear Shareholders,

Hiroyuki Nemoto  
Chairman & CEO  
CRESCO LTD.  
2-15-1 Kounan, Minato-ku, Tokyo

## Notice of the 34th Ordinary General Meeting of Shareholders

We are pleased to announce the 34th Ordinary General Meeting of Shareholders of CRESCO LTD. (the “Company”), which will be held as described below.

In order to prevent the spread of novel coronavirus disease (COVID-19), the Company will hold this general meeting of shareholders upon the appropriate implementation of infection prevention measures.

You are strongly encouraged to exercise your voting rights prior to the meeting in writing or by using the Internet, etc., if at all possible. Regardless of your own state of health, we would like to advise our shareholders to refrain from attending in person the general meeting of shareholders.

Please examine the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m. on Thursday, June 16, 2022 (JST).

### Details

1. **Date and Time:** Friday, June 17, 2022, at 10:00 a.m.
2. **Place:** “Ruby 34,” Main Tower 34F, Shinagawa Prince Hotel  
4-10-30 Takanawa, Minato-ku, Tokyo
3. **Purpose of the Meeting**  
**Matters to be reported:**
  1. Business Report and Consolidated Financial Statements for the 34th Fiscal Year (from April 1, 2021 to March 31, 2022), as well as the audit reports of the Accounting Auditors and the Audit and Supervisory Committee for Consolidated Financial Statements
  2. Financial Statements for the 34th Fiscal Year (from April 1, 2021 to March 31, 2022)

### Matters to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Six (6) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

#### **4. Matters Regarding the Exercise of Voting Rights:**

##### **(1) When you exercise your voting rights in duplicate both in writing and via the Internet**

If you exercise your voting rights in duplicate both in writing and via the Internet, the vote exercised via the Internet shall prevail.

##### **(2) Multiple exercises of voting rights via the Internet**

If you exercise your voting rights in multiple times via the Internet, the last vote shall prevail.

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#### Notes:

- \* You are kindly requested to present the enclosed Voting Form to the receptionist when you attend the Meeting.
- \* Among the documents to be attached to this notice, matters to be presented in the Notes to the Consolidated Financial Statements and the Notes to Financial Statements are disclosed on (<https://www.cresco.co.jp/ir/library/meeting.html>) and are thus not included in the documents attached to this notice. Therefore, documents attached to this notice constitute a part of the documents audited when the Audit and Supervisory Committee and the Accounting Auditors prepared the audit report and accounting audit report.
- \* If any changes have been made to items in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Financial Statements, such changes will be posted on the Company's website (<https://www.cresco.co.jp/ir/library/meeting.html>).

#### **Measures to Prevent Infection of the Novel Coronavirus Disease (COVID-19) at the Company's Ordinary General Meeting of Shareholders**

For this Ordinary General Meeting of Shareholders, you are strongly encouraged to exercise your voting rights prior to the meeting in writing or by using the Internet, etc., if at all possible. Regardless of your own state of health, we would like to advise our shareholders to refrain from attending in person the general meeting of shareholders. We plan to take the following measures to prevent infection of COVID-19 on the date of the meeting. We ask for your understanding and cooperation.

1. The Company requests that all shareholders attending the meeting in person wear a face mask.
2. The organizing staff of the meeting will ask attendees to sanitize their hands with alcohol disinfectant before approaching the reception desk at the venue.
3. The Company will check the body temperature of attendees using a thermograph, etc. before they approach the reception desk. Shareholders with a high body temperature may be denied admission.
4. To prevent the spread of infection, the Company plans to shorten the time for holding the meeting by the same amount as last year, such as by shortening the explanations of the matters to be reported and the matters to be resolved.
5. The Company's Directors attending this meeting and the organizing staff will wear face masks. In addition, some of the organizing staff, such as those at the reception desk, will also wear gloves.
6. Shareholders will be seated at a distance from each other, and it may therefore be impossible to provide sufficient seating for all attendees.

If future developments necessitate a change in the way the General Meeting of Shareholders will be run, shareholders will be informed via the website below.

<https://www.cresco.co.jp/ir/library/meeting.html>

## **Guide for Exercise of Voting Rights**

### **In case you are not able to attend the General Meeting of Shareholders**

#### **Exercise of voting rights in writing**

Please indicate on the enclosed Voting Form whether you approve or disapprove of each proposal, and send it by mail to us.

#### **Deadline for exercise of voting rights in writing:**

**The Company must receive the completed Voting Form by Thursday, June 16, 2022, at 5:30 p.m. (JST).**

#### **Exercise of voting rights via the Internet**

Please access the website (<https://evote.tr.mufg.jp/>), and indicate your approval or disapproval to each proposal by following the instructions on the screen.

#### **Deadline for exercise of voting rights via the Internet:**

**The Company must receive your voting instructions by Thursday, June 16, 2022, at 5:30 p.m. (JST).**

### **Exercise of voting rights by attending the General Meeting of Shareholders**

You are kindly requested to exercise your voting rights by submitting the Voting Form to the reception desk at the meeting. (It is not required to fill out the form or stamp your seal.)

\* You may name one (1) shareholder who holds voting rights of the Company to act as a proxy and exercise your voting rights. Please note that the proxy will be required to submit a document evidencing his or her right of proxy.

#### **Date and time of the General Meeting of Shareholders:**

**Friday, June 17, 2022, at 10:00 a.m. (JST)**

### **Electronic voting platform**

The Company has participated in the platform for electronic exercise of voting rights operated by ICJ, Inc.

Trust banks and other nominee shareholders (including standing proxies) may apply in advance to use this platform. In this case, such shareholders can use this platform in addition to the exercise of voting rights via the Internet as a means to exercise their voting rights by electromagnetic means at General Meeting of Shareholders of the Company.

## **Procedures for the exercise of voting rights via the Internet**

Shareholders exercising their voting rights via the Internet can only do so via the website designated by the Company (<https://evote.tr.mufg.jp/>) with a personal computer or smartphone.

### **Voting by a smartphone**

#### **Scanning QR Code**

You can log in without entering your login ID and temporary password by scanning the “Login QR Code.”

#### **(i) Scanning QR Code**

Scan the “Login QR Code” on the enclosed voting form (right side) with your smartphone.

#### **(ii) Selecting the method to exercise voting rights**

Select the method for exercising voting rights when the screen to select the method of approving or disapproving proposals is presented.

#### **(iii) Selecting approval or disapproval for each proposal**

Select approval or disapproval of each proposal in accordance with the on-screen instructions.

Complete the exercise of voting rights in accordance with the on-screen instructions.

You may exercise your voting rights only once with the method described below.

Logging in from the second time onward...

Please log in accordance with the instructions below.

### **Entering login ID and temporary password**

How to use the voting website

(i) Access to the website to exercise of voting rights

(ii) Enter your “login ID” and “temporary password” printed on the lower right in your Voting Form

(iii) Enter your “new password” and “new password (confirmation)”

Indicate your approval or disapproval by following the instructions on the screen.

### **For inquiries with respect to the exercise of voting rights via the Internet please contact:**

Corporate Agency Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

0120-173-027

(Toll free within Japan / available from 9:00 a.m. to 9:00 p.m.)

- \* When exercising voting rights via the Internet, please be aware that the website is not available from 2:00 a.m. to 5:00 a.m. (JST) each day.
- \* Any fees for accessing the website for exercising voting rights (Internet connection fees, etc.) shall be borne by the shareholder.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Issues

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

##### 1. Reason for the Proposal

As the effective date of the amending provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) was determined as September 1, 2022, it is proposed to establish provisions to the effect that measures shall be taken for electronically providing information that constitutes the content of reference documents for the general meeting of shareholder, etc. and that the Company may limit the scope of matters to be stated in the counterpart paper document to be delivered to shareholders who requested delivery thereof.

In addition, the current provision for internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc. will no longer be required and will be deleted, and supplementary provisions pertaining to the effective date, etc. resulting from such amendments will be established.

##### 2. Details of the Proposed Amendments

Amendments are described below.

(Underlined portions are amended)

| Pre-Amendment Articles of Incorporation   | Post-Amendment Articles of Incorporation  |
|---|---|
| <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 14</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;">(To be established)</p> | <p style="text-align: center;">(Deleted)</p> <p><u>(Measures for Providing Information in Electronic Format, Etc.)</u></p> <p><u>Article 14</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> |

| Pre-Amendment Articles of Incorporation | Post-Amendment Articles of Incorporation   |
|---|--|
| (To be established)                     | <p style="text-align: center;"><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="826 241 1418 383">1. <u>The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meetings of Shareholders) and the establishment of Article 14 (Measures for Electronic Provisions, Etc.) shall be effective on September 1, 2022.</u></li> <li data-bbox="826 383 1418 546">2. <u>Notwithstanding the provision of the preceding paragraph, Article 14 of the pre-amendment Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meetings of Shareholders) shall remain effective regarding any general meeting of shareholders held by the end of February 2023.</u></li> <li data-bbox="826 546 1418 680">3. <u>These Supplementary Provisions shall be deleted on March 1, 2023 or the day on which three months have elapsed from the date of the general meeting of shareholders referred to in the preceding paragraph, whichever comes later.</u></li> </ol> |

**Proposal 2:** Election of Six (6) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

The terms of office of all seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee) will expire at the conclusion of this ordinary general meeting of shareholders. Accordingly, the Company requests the election of six (6) Directors (excluding Directors serving on the Audit and Supervisory Committee), decreasing the number of Directors by one (1).

The candidates for Directors (excluding Directors serving on the Audit and Supervisory Committee) to be elected are as follows.

There were no objections to the proposal upon the deliberation thereof at the Audit and Supervisory Committee.

| No. | Name  | Position and responsibility in the Company                                 | Attendance at meetings of the Board of Directors |
|-----|---|--|--|
| 1.  | Reelection<br>Hiroyuki Nemoto                         | Chairman & CEO   | 92.3%<br>(12/13)                                 |
| 2.  | Reelection<br>Hiroshi Tominaga                        | President and Executive Officer  | 100%<br>(13/13)                                  |
| 3.  | Reelection<br>Kazuo Sugiyama                          | Director, Senior Managing Executive Officer,<br>Operation Management Group | 100%<br>(13/13)                                  |
| 4.  | Reelection<br>Noriyuki Kogawa                         | Director, Senior Managing Executive Officer,<br>Service Management Group   | 100%<br>(13/13)                                  |
| 5.  | Reelection<br>Outside<br>Independent<br>Junichi Fukui | Outside Director   | 100%<br>(13/13)                                  |
| 6.  | Reelection<br>Outside<br>Independent<br>Yukie Sato    | Outside Director   | 100%<br>(13/13)                                  |

| No.  | Name<br>(Date of birth)                                  | Career summary, positions and areas of responsibility in the Company,<br>and important concurrent positions   | Number of the<br>Company's<br>shares held |
|--|--|---|---|
| 1.   | Hiroyuki Nemoto<br>(February 12, 1960)<br><br>Reelection | Apr. 1988      Joined CRESCO LTD. due to its establishment<br>Apr. 1998      Department Manager, System Technology Department,<br>Open System Division, CRESCO LTD.<br>Apr. 2002      Division Manager, Financial Solutions Division,<br>Solutions Unit, CRESCO LTD.<br>Jun. 2006      Director and Vice General Manager, Solutions Unit,<br>CRESCO LTD.<br>Apr. 2008      Managing Director and General Manager, Solutions<br>Unit, CRESCO LTD.<br>Apr. 2010      Managing Director and General Manager, Business<br>Solutions Division, CRESCO LTD.<br>Apr. 2011      Managing Director and General Manager, Business<br>Solutions Division and Division Manager, Sales<br>Division, CRESCO LTD.<br>Oct. 2011      Managing Director and General Manager, Business<br>Solutions Division, CRESCO LTD.<br>Apr. 2012      Managing Director and General Manager, Business<br>Solutions Division and Department Manager, Consulting<br>Center, CRESCO LTD.<br>Apr. 2013      Managing Director and General Manager, Business<br>Solutions Division, CRESCO LTD.<br>Apr. 2014      President, CRESCO LTD.<br>Jun. 2016      President and Executive Officer, CRESCO LTD.<br>Apr. 2022      Chairman & CEO, CRESCO LTD. (current position) | 102,437<br>shares                         |
| <p>[Reasons for nomination as candidate for Director]<br/> As Chairman &amp; CEO of the Company, he has been leading the Company and the Group based on his extensive experience and knowledge. The Company deems that he is capable of contributing to the enhancement of the Group's corporate value by fulfilling his role as a Director, including by supervising business execution, and therefore has again nominated him again as a candidate for Director.</p> |  |   |   |



| No.   | Name<br>(Date of birth)                                 | Career summary, positions and areas of responsibility in the Company,<br>and important concurrent positions   | Number of the<br>Company's<br>shares held |
|---|---|---|---|
| 2.  | Hiroshi Tominaga<br>(January 9, 1967)<br><br>Reelection | <p>Apr. 1990      Joined CRESCO LTD.</p> <p>Apr. 2006      Department Manager, Department 3, Infrastructure Systems Division, Solutions Unit, CRESCO LTD.</p> <p>Apr. 2007      Vice Division Manager, Infrastructure Systems Division, Solutions Unit, CRESCO LTD.</p> <p>Apr. 2009      Division Manager, Infrastructure Systems Division, Solutions Unit, CRESCO LTD.</p> <p>Apr. 2013      Vice General Manager, Business Solutions Division, CRESCO LTD.</p> <p>Jun. 2013      Director and Vice General Manager, Business Solutions Division, CRESCO LTD.</p> <p>Apr. 2014      Director and Vice General Manager, General Business Solutions Unit, CRESCO LTD.</p> <p>Apr. 2016      Director and General Manager, Business Management Unit and Division Manager, Management Strategy Division, CRESCO LTD.</p> <p>Jun. 2016      Director, Operating Officer, and General Manager, Business Management Unit and Division Manager, Management Strategy Division, CRESCO LTD.</p> <p>Jun. 2017      Director and Managing Executive Officer, and General Manager, Business Management Unit and Division Manager, Business Management Strategy Division, CRESCO LTD.</p> <p>Apr. 2018      Director and Managing Executive Officer, Operation Management Group and General Manager, Business Management Unit, CRESCO LTD.</p> <p>Apr. 2020      Director, Managing Executive Officer, General Manager, Service Competency Unit, Technology Laboratory and Quality Management Unit, CRESCO LTD.</p> <p>Jun. 2021      Director, Senior Managing Executive Officer, General Manager, Service Competency Unit, Technology Laboratory and Quality Management Unit, CRESCO LTD.</p> <p>Apr. 2022      President and Executive Officer, CRESCO LTD. (current position)</p> | 17,167 shares                             |
| <p>[Reasons for nomination as candidate for Director]<br/>As President and Executive Officer of the Company, he has been in charge of the overall management of the Company and the Group. The Company deems that through his strong leadership, he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director.</p> |   |   |   |

| No.  | Name<br>(Date of birth)                                  | Career summary, positions and areas of responsibility in the Company,<br>and important concurrent positions |  | Number of the<br>Company's<br>shares held |
|--|--|---|--|---|
| 3.   | Kazuo Sugiyama<br>(September 1, 1964)<br><br>Reelection  | Nov. 1990   | Joined CRESCO LTD.   | 22,111 shares                             |
|  |  | Apr. 2010   | Department Manager, Finance Department, CRESCO LTD.  |   |
|  |  | Jun. 2013   | Director and Department Manager, Finance Department, CRESCO LTD.   |   |
|  |  | Apr. 2014   | Director and Department Manager, Accounting & Finance Department, CRESCO LTD.  |   |
|  |  | Apr. 2016   | Director and General Manager, Accounting & Finance Unit and Department Manager, Group Accounting Department, CRESCO LTD.                     |   |
|  |  | Jun. 2016   | Director, Operating Officer, and General Manager, Accounting & Finance Unit and Department Manager, Group Accounting Department, CRESCO LTD. |   |
|  |  | Jun. 2017   | Director, Managing Executive Officer, and General Manager, Accounting & Finance Unit, CRESCO LTD.  |   |
|  |  | Apr. 2021   | Director, Managing Executive Officer, and Vice General Manager, Corporate Supervisory Unit, CRESCO LTD.                                      |   |
|  |  | Oct. 2021   | Director, Managing Executive Officer, and General Manager, Corporate Supervisory Unit, CRESCO LTD.   |   |
|  |  | Apr. 2022   | Director, Senior Managing Executive Officer, Operation Management Group, CRESCO LTD. (current position)                                      |   |
| [Reasons for nomination as candidate for Director]<br>Having served as a person responsible for administrative divisions of the Company, he has an ample experience and achievements concerning accounting and finance. As the Company expects that he is contributing to the strengthening of management and the promotion of operational efficiency for administrative divisions at each of the Group's company, and that he sufficiently fulfills his role in the decision-making and supervision on significant business execution of the Company with his superior expertise, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director. |  |   |  |   |
| 4.   | Noriyuki Kogawa<br>(November 24, 1963)<br><br>Reelection | Sep. 1990   | Joined CRESCO LTD.   | 15,906 shares                             |
|  |  | Apr. 2004   | Department Manager, Department 2, Technology Solution Division, CRESCO LTD.  |   |
|  |  | Apr. 2012   | Vice Division Manager, Embedded Solutions Division, CRESCO LTD.  |   |
|  |  | Apr. 2015   | Division Manager, Embedded Solutions Division, CRESCO LTD.   |   |
|  |  | Apr. 2018   | Operating Officer, Vice General Manager, General Business Solutions Unit 2 and Division Manager, Embedded Solutions Division, CRESCO LTD.    |   |
|  |  | Apr. 2019   | Operating Officer, Vice General Manager, General Business Solutions Unit and in charge of Industrial Business-Unit, CRESCO LTD.              |   |
|  |  | Apr. 2020   | Managing Executive Officer, and General Manager, General Business Solutions Unit, CRESCO LTD.  |   |
|  |  | Jun. 2020   | Director, Managing Executive Officer, and General Manager, General Business Solutions Unit, CRESCO LTD.                                      |   |
|  |  | Apr. 2022   | Director, Senior Managing Executive Officer, Service Management Group, CRESCO LTD. (current position)  |   |
| [Reasons for nomination as candidate for Director]<br>He has ample experience and achievements pertaining to the Embedded Solutions Division of the Company. He is in charge of all aspects of the Company's business and is fulfilling his responsibilities in strengthening the customer base and improving and reinforcing the profit structure. As he has sufficiently fulfilled his role in the decision-making and supervision on significant business execution of the Company with his superior expertise, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Director.   |  |   |  |   |

| No. | Name<br>(Date of birth)   | Career summary, positions and areas of responsibility in the Company,<br>and important concurrent positions  | Number of the<br>Company's<br>shares held |
|-----|---|--|---|
|     | Junichi Fukui<br>(November 5, 1953)<br><br>Reelection<br><br>Outside<br><br>Independent   | Apr. 1977    Joined The Nippon Fudosan Bank, Limited (current<br>Aozora Bank, Ltd.)<br>Feb. 1999    General Manager, Public Relations Division, The<br>Nippon Fudosan Bank, Limited<br>Jun. 2000    Department Manager, Secretary's Office and<br>Department Manager, Public Relations Office, The<br>Nippon Fudosan Bank, Limited<br>Apr. 2001    General Manager, Head Office Corporate Business<br>Division III, Aozora Bank, Ltd.<br>Oct. 2005    Director, STAFF SERVICE HOLDINGS CO., LTD.<br>Mar. 2014    Advisor, STAFF SERVICE HOLDINGS CO., LTD.<br>Oct. 2014    Advisor, Corporate Planning Office, Kyodo News<br>Jun. 2015    Director in charge of business, K.K. Kyodo News<br>Jun. 2016    Managing Director, K.K. Kyodo News<br>Jun. 2018    Outside Director, CRESCO LTD. (current position)<br>Jun. 2019    Advisor, K.K. Kyodo News | 0 shares                                  |
| 5.  | <p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play]<br/>           He has extensive knowledge and insights on corporate management as well as ample experience and achievements concerning corporate planning, public relations, etc. As an Outside Director, he evaluates the current status of the Company from an objective perspective and has fulfilled his responsibilities by providing extensive advice and support to the Board of Directors on matters such as the effectiveness of the Board of Directors and the Company's public relations strategy. Since he is expected to continue to provide advice and opinions, the Company deems that he is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated him as a candidate for Outside Director.</p> <p>[Special matters concerning candidate for Outside Director]</p> <ol style="list-style-type: none"> <li>1. Notification of Independent Directors<br/>             The Company has notified the Tokyo Stock Exchange of Mr. Junichi Fukui as an Independent Director, as he satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations.</li> <li>2. Tenure as Outside Director of the Company<br/>             At the conclusion of this meeting, Mr. Junichi Fukui's tenure as Outside Director of the Company will have been four (4) years.</li> <li>3. Relationships between the Company and companies where Directors hold significant concurrent positions<br/>             Not applicable.</li> <li>4. Relationships between the Company and companies where the candidate has previously served as an executive<br/>             Mr. Junichi Fukui served as an executive of STAFF SERVICE HOLDINGS CO., LTD., which is a business partner of the Company, until September 2014. However, more than five years have already passed since he resigned, he has not been involved in the execution of business since retiring, and the amount of the transactions with that company are small at less than 1% of our consolidated net sales.</li> <li>5. Overview of limited liability agreement<br/>             Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Junichi Fukui to limit his liability for damages under Article 423, paragraph 1 of the same Act. If his reelection is approved at this meeting, the Company intends to renew the same agreement with him. The limit of Mr. Junichi Fukui's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</li> </ol> |  |   |

| No. | Name<br>(Date of birth)   | Career summary, positions and areas of responsibility in the Company,<br>and important concurrent positions   | Number of the<br>Company's<br>shares held |
|-----|---|---|---|
|     | Yukie Sato<br>(June 30, 1965)   | Apr. 1989      Joined The Nippon Credit Bank, Ltd. (current Aozora Bank, Ltd.)<br>May 1999      Joined ExecNet (current Shimamoto Partners)<br>Feb. 2007      President and Representative Director of Chemistry Co., Ltd. due to its establishment (current position)<br>Jun. 2020      Outside Director, CRESCO LTD. (current position)<br>(Significant Position Concurrently Held)<br>President and Representative Director, Chemistry Co., Ltd. | 0 shares                                  |
| 6.  | <p>[Reasons for nomination as candidate for Outside Director and the summary of roles expected to play]<br/>She has ample experience and achievements in executive consulting as well as extensive knowledge and insights on management overall as a corporate manager. She also possesses the personal characteristics required of an outside Director, such as high ethical standards, independence, understanding of diversity, and a sense of fairness, and she has fulfilled her responsibilities by providing objective advice and support to the Company at Board of Directors meetings and by appropriately supervising the execution of the Company's operations. As she can, furthermore, be expected to provide advice and opinions from the perspective of utilizing and developing the Company's human resources, the Company deems that she is the right person to achieve the continuous growth of the Company and the Group, and therefore has again nominated her as a candidate for Outside Director.</p> <p>[Special matters concerning candidate for Outside Director]</p> <ol style="list-style-type: none"> <li>Notification of Independent Directors<br/>The Company has notified the Tokyo Stock Exchange of Ms. Yukie Sato as an Independent Director, as she satisfies the requirements for being an independent director in accordance with the Tokyo Stock Exchange, Inc.'s rules and regulations. The Company has no business relationship with any company where she has executed business in the past.</li> <li>Tenure as Outside Director of the Company<br/>At the conclusion of this meeting, Ms. Yukie Sato's tenure as Outside Director of the Company will have been two (2) years.</li> <li>Relationships between the Company and companies where Directors hold significant concurrent positions<br/>There is no significant business relationship or other relationship between the Company and Chemistry Co., Ltd., where Ms. Yukie Sato currently holds a position.</li> <li>Overview of limited liability agreement<br/>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Yukie Sato to limit her liability for damages under Article 423, paragraph 1 of the same Act. If her reelection is approved at this meeting, the Company intends to renew the same agreement with her. The limit of Ms. Yukie Sato's liability for damages under the agreement is the minimum liability amount provided for under the related laws and regulations.</li> </ol> |   |   |

- Notes:
- No special interest exists between any of the above candidates and the Company.
  - The number of Company's shares held is the effective number of shares held, including shares held through the Company stockholding association.
  - The Company has entered into a directors and officers liability insurance contract with an insurance company, and the said insurance contract will cover damage that may arise from the insured person's assuming responsibility for the execution of their duties or receiving claims related to the pursuit of the said responsibility. If a candidate assumes office as a Director, he/she will be insured by the said insurance contract, and the said insurance contract is planned to be renewed during the course of his/her term of office. No insurance premium will be borne by the insured.

(Reference)

Subject to approval of the proposal for skill matrix (table indicating areas in which (proposed) Directors are expected to be proficient in), areas in which each Director is expected to be proficient in are indicated below based on our experience so far.

◎ Major skill ○ Minor skill

|    | Name             | Outside | Corporate management | Digital transformation and IT | Quality control | Human resources management and development | Finance and accounting | Legal affairs and risk management | Public relations and marketing | Internationality | Specialty (Professional qualifications, qualifications related to the Company's business, etc.) |
|----|------------------|---------|----------------------|-------------------------------|-----------------|--|------------------------|-----------------------------------|--------------------------------|------------------|---|
| 1. | Hiroyuki Nemoto  |         | ◎                    | ◎                             | ◎               | ○  |                        | ○                                 | ◎                              |                  |   |
| 2. | Hiroshi Tominaga |         | ◎                    | ◎                             | ◎               | ○  |                        |                                   | ○                              |                  |   |
| 3. | Kazuo Sugiyama   |         | ◎                    | ◎                             |                 | ○  | ◎                      | ○                                 | ○                              |                  |   |
| 4. | Noriyuki Kogawa  |         | ◎                    | ◎                             | ◎               |  |                        |                                   | ○                              |                  |   |
| 5. | Junichi Fukui    | ●       | ◎                    |                               |                 | ◎  | ◎                      |                                   | ◎                              |                  |   |
| 6. | Yukie Sato       | ●       | ◎                    |                               |                 | ◎  | ◎                      |                                   | ○                              | ○                |   |
| 7. | Satoshi Takaishi |         | ◎                    |                               |                 | ◎  |                        | ◎                                 |                                | ○                |   |
| 8. | Haruo Sato       | ●       | ◎                    | ◎                             | ◎               | ○  |                        |                                   |                                |                  |   |
| 9. | Masayuki Maekawa | ●       | ◎                    |                               |                 | ○  | ◎                      | ◎                                 |                                |                  | Certified public accountant and certified tax accountant  |