

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 5015

March 4, 2022

To our shareholders:

Takayuki Koishi
President and Representative Director
BP Castrol K.K.
1-11-2 Osaki, Shinagawa-Ku, Tokyo

**NOTICE OF
THE 45th ORDINARY 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 45th Ordinary General Meeting of Shareholders of BP Castrol K.K. (the “Company”) will be held as described below.

With a view to preventing the spread of COVID-19, shareholders are requested to consider exercising their voting rights in advance either by paper ballot or by using the Internet, as far as possible.

If you wish to exercise your voting rights in advance, please review the following reference documents for the General Meeting of Shareholders and exercise your voting rights beforehand by 5:00 p.m. on Wednesday, March 23, 2022 JST.

Meeting Details

- 1. Date and Time:** Thursday, March 24, 2022 at 10:00 a.m. JST
- 2. Venue:** Gate City Hall, B1F, Gate City Osaki Cultural Facilities Building
1-11-1 Osaki, Shinagawa-ku, Tokyo
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report and Non-Consolidated Financial Statements for the Company’s 45th Fiscal Year (January 1, 2021 - December 31, 2021)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Election of Four (4) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
 - Proposal 4:** Election of Three (3) Directors Who Are Audit & Supervisory Committee Members
 - Proposal 5:** Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member

.....

- * If you attend the meeting, please submit the enclosed voting rights exercise form to the meeting's reception of the venue. In addition, please bring this convocation notice with you.
- * The "Statement of Changes in Shareholders' Equity" and "Individual Note Table" of the Financial Statements are posted on the Company's website (<http://www.bpcastrol.com>) in accordance with laws and provision of Article 16 of the Articles of Incorporation. Therefore, they are not included in the documents attached to this convocation notice.
- * When you exercise voting rights through proxy, such proxy must be only one shareholder who has voting rights at the general meeting of shareholders. In this case, please submit a voting rights exercise form or a document that can verify your identity, along with a power of attorney with the signature or the name and seal of the delegated shareholder to the Company.
- * In the case that there are any revisions to the contents of the Attached documents and the Reference Documents for the General Meeting of Shareholders, the Company will post the altered contents on the Company's website.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy concerning distribution of profits is to actively distribute the profits to its shareholders and aims for a dividend payout based on its free cash flow with reference to profit after tax for the time being.

In light of the abovementioned policy, the Company proposes to pay the year-end dividend of 39 yen per share, an increase of 2 yen from the previous forecast of 37 yen.

1. Matters related to year-end dividend

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount to shareholders

39 yen per ordinary share of the Company, for a total amount of dividend of 895,350,885 yen

This brings the total dividends paid in the current period to 69 yen per ordinary share, including the interim dividend of 30 yen per ordinary share which was paid

(3) Effective date of distribution of dividends of surplus

March 25, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Purpose for amendments

The revised provisions stipulated in the proviso to Article 1 of the Supplementary Provisions of the "Act Partially Amending the Companies Act" (Act No. 70 of 2019) are due to come into effect on September 1, 2022. Accordingly, to prepare to introduce a system for providing Reference Documents for the General Meeting of Shareholders in an electronic format, the Company will change its Articles of Incorporation as described below

(1) Article 16, Paragraph 1 of the proposed amendment shall stipulate that the Company shall take measures to provide information that is the contents of Reference Documents etc for the General Meeting of Shareholders in an electronic format.

(2) Article 16, Paragraph 2 of the proposed amendments shall establish a provision to limit the scope of materials in a paper-based format to be issued to shareholders who have requested the issuance of materials in a paper-based format.

(3) The provision for the Internet-based disclosure of Reference Documents etc. for the General Meeting of Shareholders (current Article 16 of the Articles of Incorporation) will no longer be required and will be deleted.

(4) Accompanying the new establishment and deletion of provisions as described above, a supplementary provision concerning the enforcement date and other matters will be set forth.

2. Details of the amendment

The details of the amendments are as follows.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendment
<p><u>Chapter III General Meeting of Shareholders</u></p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for General Meetings of Shareholders-</u></p> <p><u>Article 16. Upon convocation of the General Meeting of Shareholders, the Company shall be deemed to have provided the information that shall be stated or described in the reference documents for the shareholders meeting, business report, financial statements and consolidated financial statements by disclosing such information by means of using the Internet, in accordance with the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p>	<p>Chapter III General Meeting of Shareholders</p> <p>(Deleted)</p> <p><u>(Provision of Documents for General Meetings of Shareholders in an Electronic Format</u></p> <p><u>Article 16 When convening a General Meeting of Shareholders, the Company shall take measures to provide materials containing information to be stated in Reference Documents for the Shareholders' Meetings and related documents in an electronic format.</u></p> <p><u>2. Regarding matters provided through measures to provide materials in an electronic format, the Company may omit all or part of the matters stipulated in the Ordinance of the Ministry of Justice from materials in a paper-based format to be delivered to shareholders who have requested the issuance of materials in a paper-based format by the record date for voting rights.</u></p>

Supplementary Provisions

(Newly established)

Supplementary Provisions

(Transitional Measures for Provision in an Electronic Format)

1. The removal of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for General Meetings of Shareholders) of the Current Articles of Incorporation and the new establishment of Article 16 (Provision of Documents for General Meetings of Shareholders in an Electronic Format) of the amended Articles of Incorporation shall become effective from the date of enforcement specified in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Enforcement Date”).
2. Notwithstanding the provisions in the preceding paragraph, for any general meeting of shareholders held on a date within six (6) months from the Enforcement Date, Article 16 of the Current Articles of Incorporation shall remain in effect.
3. This Supplementary Provisions shall be removed on the day on which six (6) months have elapsed from the Enforcement Date, or the day on which three (3) months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is the later.

Proposal 3: Election of Four (4) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all current directors will expire at the end of this Annual General Meeting of Shareholders. Accordingly, we propose the election of four (4) Directors (excluding Directors who serve as Audit & Supervisory Committee Members).

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee members) to be elected are as follows.

No.	Name (Date of birth)	Career summary, positions, areas of responsibility in the Company, and important concurrent positions			Number of shares of the Company owned (Hundred shares)
1	Takayuki Koishi (December 7, 1959)	Jun	1990	Marketing Product Manager of S.C. Johnson	30
		Jun	1993	Marketing Manager of Coleman Ltd. Japan	
		Mar	1995	Sales Director of Helen Curtis Japan	
		Mar	1997	Sales Director of GlaxoSmithKline Consumer Healthcare Japan K.K. (formerly GlaxoSmithKline Beecham)	
		Oct	2002	Consumer General Manager of Castrol Division of BP Japan K.K.	
		Jan	2003	Sales & Marketing Director of Castrol Division of the Company	
		Jan	2005	President and Representative Director of Castrol K.K. (present)	
		Jan	2005	Senior Managing Director of the Company	
		Mar	2006	President and Representative Director of BP Lubricants K.K. (present)	
		Aug	2007	Representative Senior Managing Director of BP Castrol K.K.	
		Mar	2008	Executive vice-president and Representative Director of the Company	
		Jan	2011	President and Representative Director of the Company (present)	
Reasons for Selecting the Candidate for Director Mr. Takayuki Koishi was appointed as Senior Managing Director (current President and CEO) in 2005. He has utilized his extensive experience and general management knowledge in his management and sales activities. The Company proposes his reappointment as Director.					
2	Masanori Hirakawa (December 15, 1971)	Apr	1994	Joined Esso Sekiyu K.K.	10
		Dec	2002	Senior Analyst of Esso Thailand Public Company Ltd., Thailand	
		Mar	2005	Global Planning Advisor of ExxonMobil Fuels Marketing Company, USA	
		Sep	2010	General Manager of Asia Pacific Commercial Fuels Sales, ExxonMobil Asia Pacific Pte. Ltd., Singapore	
		Jun	2012	General Manager of Tokyo Sales Office of Fuels Marketing, EMG Marketing G.K.	
		Mar	2014	Offsite Business Team Leader of Wakayama Refinery, Tonen General Sekiyu K.K.	
		Nov	2014	General Manager of Planning & Management of Chemical Department, Tonen General Sekiyu K.K.	
		Mar	2017	Joined BP Castrol K.K. as General Manager of Supply Chain Department of the Company	
		Mar	2018	Director and General Manager of Supply Chain Department of the Company	
		Mar	2019	Executive Vice President and General Manager of Supply Chain Department of the Company	
		Feb	2020	Executive Vice President of the Company	
		Mar	2021	Representative Director and Executive Vice President of the Company (present)	
Reasons for Selecting the Candidate for Director Mr. Masanori Hirakawa was appointed as a director of the Company in 2018, and after assuming the position of Executive Vice President in 2020. He oversaw appropriate decision-making and execution of duties on important matters in overall management with the President, and in 2021, as Representative Director and Vice President, he was deeply involved in providing guidance for the bp Group and coordinating strategies, contributing to the enhancement of the Company's corporate value. The Company proposes his reappointment as Director					

30

No.	Name (Date of birth)	Career summary, positions, areas of responsibility in the Company, and important concurrent positions	Number of shares of the Company owned (Hundred shares)
3	Katsumi Watanabe (January 6, 1964)	Mar 1996 Joined Castrol K.K. Apr 2000 Finance Planning Manager of Finance and Accounting department of Castrol K.K. Jul 2002 Performance Controller of Finance and Accounting department of BP Japan K.K. Aug 2004 Performance Reporting & Forecasting Manager of Finance and Accounting department of BP Japan K.K. Mar 2007 Controller of Finance and Accounting department of the Company Mar 2011 General Manager of Finance and Accounting Department of the Company Mar 2014 Director, General Manager of Finance and Accounting Department of the Company (present)	10
Reasons for Selecting the Candidate for Director Mr. Katsumi Watanabe was appointed as a director of the Company in 2014 and has been leveraging his extensive experience and knowledge in the fields of finance, accounting, and budget control in his management. The Company proposes his reappointment as Director			
4	Tatsukawa Hideko (April 27, 1968)	Apr 1991 Joined Capital Market Division II of The Bank of Tokyo Co., Ltd. May 2001 Joined PricewaterhouseCoopers Oct 2003 Manager of PricewaterhouseCoopers Jul 2013 HR Business Partner Team Director of QVC Japan Inc. Jul 2017 HRGA Director of Leica Microsystems Sep 2019 Managing Director of Deloitte Tohmatsu Human Resources Co., Ltd. Jun 2020 Managing Director of Deloitte Tohmatsu Financial Advisory LLC Feb 2021 Joined BP Castrol K.K. Mar 2021 Director of the Company Apr 2021 Director of BP Japan K.K. (present) Jul 2021 Director, General Manager of Human Resources and General Affairs Department of the Company (present)	—
Reasons for Selecting the Candidate for Director Ms. Hideko Tatsukawa was appointed as a director of the Company in 2021 and has contributed to the enhancement of the Company's corporate value by leveraging her wealth of experience and insight, having held important positions in the human resources department at a long-standing HR consulting company and foreign-affiliated company, etc. The Company proposes her reappointment as Director.			

- (Notes) 1. Ms. Hideko Tatsukawa's name on the family register is Hideko Mizuyoshi.
2. There is no special interest exists between any of the above candidates and the Company.
3. The Company has executed a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by the Company. Each candidate will be included as the insured under this insurance policy if reappointment of each candidate is approved. The Company plans to renew the insurance policy with the same details during his term of office.

Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

The terms of office of all of the three (3) current Directors who serve as Audit & Supervisory Committee Members will expire at the end of this Annual General Meeting of Shareholders.

Accordingly, we propose the election of three Directors who serve as Audit & Supervisory Committee Members, including one new candidate.

With regard to this proposal, the consent of the Audit & Supervisory Committee has also been obtained.

The candidates for Directors who are Audit & Supervisory Committee members to be elected are as follows.

No	Name (Date of birth)	Career summary, positions, areas of responsibility in the Company, and important concurrent positions	Number of shares of the Company owned (Hundred shares)
1	Sachiko Awai (May 21, 1957)	<p>Jul 1984 Joined Japan Office of U.S. Meat Export Federation</p> <p>Jan 1991 Joined Estée Lauder Companies</p> <p>Mar 1997 Joined NIHON L'ORÉAL K.K</p> <p>Nov 2004 Joined GUERLAIN (LVJ Group)</p> <p>May 2012 Joined fitfit, inc.</p> <p>May 2013 President and Representative Director of La Prairie Japan</p> <p>Jan 2019 General Manager, INCOCO Business Department of Newport Ltd.</p> <p>Part Time Adviser, Natural Water Business Department of Harves Co., Ltd. (present)</p> <p>Jun 2019 External Director (who is an Audit & Supervisory Committee Member) of A.D.Works. Co., Ltd.</p> <p>Apr 2020 External Director (who is an Audit & Supervisory Committee Member) of A.D.Works Group Co., Ltd. (present)</p> <p>Jun 2020 External Director of Infocom Corporation (present)</p> <p>(Important Concurrent Positions Held in Other Organizations)</p> <p>External Director (who is an Audit & Supervisory Committee Member) of A.D.Works Group Co., Ltd.</p> <p>External Director of Infocom Corporation</p>	—
Reasons for Appointment as External Director and the Role Expected Ms. Sachiko Awai has accumulated addition to many years of experience and knowledge in corporate management as a manager in the general consumer business of foreign-affiliated brands and she has experience as an audit and supervisory committee member of a listed company. From a multifaceted perspective, she has a role in strengthening the supervisory function of the Board of Directors of the Company and will be able to contribute to the sustainable enhancement of corporate value of the Company. The Company proposes her appointment as External Director who is a member of Audit and Supervisory Committee.			

No	Name (Date of birth)	Career summary, positions, areas of responsibility in the Company, and important concurrent positions	Number of shares of the Company owned (Hundred shares)
2	Naoki Matsutake (June 30, 1958)	<p>Apr 1987 Registered as Certified Public Accountant</p> <p>Mar 1993 Representative Director of KAZ CORPORATION INC. (present)</p> <p>Jun 2003 Audit & Supervisory Board Member of the Company</p> <p>Mar 2016 External Director Who Are Audit and Supervisory Committee Members of the Company (present)</p> <p>(Important Concurrent Positions Held in Other Organizations)</p> <p>Representative Director of KAZ CORPORATION INC.</p>	10
		<p>Reasons for Appointment as External Director and the Role Expected</p> <p>Mr. Naoki Matsutake was appointed as an external Audit & Supervisory Board Member (currently a Member of Audit and Supervisory Committee members) in 2003 and has been making decisions and supervising decisions using his insights and experience, and he will be able to contribute to strengthening corporate governance and enhancing the audit system by making use of his wealth of knowledge and experience as a certified public accountant. The Company proposes his reappointment as External Director who is a member of Audit and Supervisory Committee.</p>	
3	Fumio Mochizuki (April 25, 1957)	<p>Apr 1981 Joined Tokyo Regional Taxation Bureau</p> <p>Mar 2006 Resignation Tokyo Regional Taxation Bureau</p> <p>Jun 2006 Registered as Tax Accountant</p> <p>Apr 2007 Matsuoka Oe & Ise Tax Corporation (present)</p> <p>Visiting Professor of Aoyama Gakuen University</p> <p>Graduate school of Professional Accountancy</p> <p>Part-time Lecturer of Meiji University</p> <p>Graduate School of Professional Accountancy</p> <p>Apr 2008 Professor, Faculty of Business and Information of Jobu University</p> <p>Sep 2009 Adviser of AGS Tax Accountant Corporation</p> <p>(External Audit & Supervisory Board Member of Bizmates, Inc. (present))</p> <p>Apr 2010 Professor, Faculty of Economics and Management of Saitama Gakuen University</p> <p>Mar 2018 External Director Who Are Audit and Supervisory Committee Members of the Company (present)</p> <p>Jan 2020 External Audit & Supervisory Board Member of Bizmates, Inc. (present)</p> <p>Apr 2021 Professor, Aoyama Gakuen University Graduate school of Professional Accountancy (present)</p> <p>(Important Concurrent Positions Held in Other Organizations)</p> <p>Adviser of AGS Tax Accountant Corporation</p> <p>External Audit & Supervisory Board Member, Bizmates, Inc.</p> <p>Specially-Appointed Professor of Aoyama Gakuen University</p> <p>Graduate school of Professional Accountancy</p>	10
		<p>Reasons for Appointment as External Director and the Role Expected</p> <p>Mr. Fumio Mochizuki has not been involved in company management in the past, but since he was appointed as an external director of the Company (Audit and Supervisory Committee member) in 2018, he contributed to the enhancement of the Company's audit system and the supervisory function of the Board of Directors by making use of his extensive experience and knowledge in tax practice as well as his insight as a business management expert cultivated through research activities as a university professor. The Company proposes his reappointment as External Director who is a member of Audit and Supervisory Committee.</p>	

- (Notes) 1. There is no special interest exists between any of the above candidates and the Company.
2. Ms. Sachiko Awai, Mr. Naoki Matsutake, and Mr. Fumio Mochizuki are candidates for External Director.
3. Mr. Naoki Matsutake's term as an External Director, who is a Supervisory Committee Member will be six (6) years at the conclusion of this General Meeting of Shareholders.
4. Mr. Fumio Mochizuki's term as an External Director, who is a Supervisory Committee Members will be four (4) years at the conclusion of this General Meeting of Shareholders.
5. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company has concluded an agreement with Mr. Naoki Matsutake, and Mr. Fumio Mochizuki to limit their liability for damages as up to the minimum limit of liability stipulated in Article 425, paragraph (1) of the said act. When their reappointments are approved at this General Meeting of Shareholders, the agreements for the previous term will be continued. In addition, if the appointment of MS. Sachiko Awai is approved, a similar limited liability agreement will be concluded.

6. The Company has executed a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act of Japan, covering directors (Including Directors Who Are Audit and Supervisory Committee Members) as the insured, with insurance companies. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by the Company. Each candidate will be included as the insured under this insurance policy, if Reappointment or appointment of each candidate are approved. The Company plans to renew the insurance policy with the same details during their term of office.
7. Mr. Naoki Matsutake and Mr. Fumio Mochizuki are the Company's independence criteria (as described on page 18 of this convocation notice) and have been notified to the Tokyo Stock Exchange in accordance with the requirements of independent directors pursuant to the provisions of the Tokyo Stock Exchange and will continue to become independent directors if the reappointment of both directors is approved. In addition, Ms. Sachiko Awai also meets the company's independence criteria and the requirements for independent officers based on the rules of the Tokyo Stock Exchange, and if her appointment is approved, she will be notified to the Tokyo Stock Exchange as an independent officer.

Proposal 5: Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

In preparation for the event that the number of Directors who are Audit and Supervisory Committee members stipulated in laws and regulations is not sufficient, the Company requests approval for the election of one (1) substitute Director who is an Audit and Supervisory Committee member.

With regard to this proposal, the consent of the Audit and Supervisory Committee has also been obtained.

The candidate for substitute Director who is an Audit and Supervisory Committee member to be elected is as Follows.

Name (Date of birth)	Career summary, positions, areas of responsibility in the Company, and important concurrent positions	Number of shares of the Company owned (Hundred shares)
Yoshihiro Kurihara (November 13, 1958)	<div>Apr 1987 Registered as Certified Public Accountant</div> <div>Apr 1987 Full-time lecturer at TAC Co., Ltd. in charge of accounting, tax, and auditor training for trading companies and financial institutions, in charge of practical training for the National Tax Administration Bureau on international transaction investigation (present)</div> <div>Apr 2013 Representative Director, TRS Co., Ltd. (present)</div>	
Reasons for Nomination as Candidate for Substitute Director Who Is an Audit and Supervisory Committee Member Mr. Yoshihiro Kurihara is a certified public accountant, and as a corporate management advisor at a business school, he will be able to contribute to the enhancement of the Company's audit system and the supervisory function of the Board of Directors by making use of the insight cultivated through lectures in specialized fields such as accounting, tax and audit & supervisory board member training and international transaction investigation practical training. The Company proposes his reappointment as External Director who is a substitute member of Audit and Supervisory Committee.		—

- (Notes) 1. There are no special interest exists between the above candidate for substitute Director who is an Audit and Supervisory Committee member and the Company.
2. Mr. Yoshihiro Kurihara are candidates for Substitute External Director.
3. If Mr. Yoshihiro Kurihara assumes office as Director who is an Audit and Supervisory Committee member, pursuant to Article 427, paragraph (1) of the Companies Act, the Company plans to conclude an agreement with him to limit his liability for damages as stipulated in Article 423, paragraph (1) of the said act. The maximum amount of liability for damages based on the contract shall be the minimum amount stipulated in Article 425, Paragraph 1 of the same Act.
4. The Company has executed a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act of Japan, covering directors (Including Directors Who Are Audit and Supervisory Committee Members) as the insured, with insurance companies. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by the Company. If Mr. Yoshihiro Kurihara is officially appointed as a Director who Are Audit and Supervisory Committee Members, he will be included in the insured person of the insurance contract.
5. He meets the Company's independence criteria (as described on page 18 of this convocation notice) and the requirements of independent directors pursuant to the provisions of the Tokyo Stock Exchange

(Reference)

Election Policy and Procedures for candidates for Directors

The number of the Board of Directors is determined with due consideration from the viewpoint of ensuring diversity and expertise at the Board of Directors, while securing the necessary and appropriate number of directors to ensure the effectiveness of Company's management structure and the substantial discussions at the Board of Directors.

When determining candidates for director, we shall ensure the balance and diversity of knowledge, experience, and capabilities of the Board of Directors as a whole, suitability for the Company's industry and business type, taking into consideration the balance between talents who can demonstrate their strengths in the operation of a company and those who are suitable for business management in the industries and business categories to which the Company belongs.

Candidates for Directors shall be determined by the Board of Directors from a wide variety of talents who meet the following criteria and have knowledge, capability, and experience who can contribute to the realization of the Company's management vision.

- (1) Those who have a personality, insight, and high sense of ethics suitable for a director, and who can carry out corporate management and business operations fairly and accurately.
- (2) Those who have a wealth of knowledge and experience in the business management of the industries and business types to which the Company belongs.
- (3) Those who meet the diversity agenda, including gender, internationality, career and age.

Composition of the Board of Directors (expected)

If the proposals for election of Proposals 3 and 4 are approved, the skill matrix of the expertise and experience possessed by the Company's directors (including Directors Who Are Audit & Supervisory Committee Members) is as follows.

Position	Name	Main skills of directors										
		External Director	Independent Officer	Corporate Management	Governance	Financial accounting	Human resources, Labor	Sales, Marketing	Technology, Quality	International experience	Industry knowledge	Diversity
President and Representative Director	Takayuki Koishi			●	●			●			●	
Vice-president and Representative Director	Masanori Hirakawa			●	●			●	●	●	●	●
Director	Katsumi Watanabe				●	●						
Director	Hideko Tatsukawa				●		●				●	
Directors Who Are Audit and Supervisory Committee Members	Sachiko Awai	○	○	●	●			●		●	●	
Directors Who Are Audit and Supervisory Committee Members	Naoki Matsutake	○	○		●	●						
Directors Who Are Audit and Supervisory Committee Members	Fumio Mochizuki	○	○		●	●						

Independence Standards of External Directors

The Company determines that candidates for External directors are independent if, as a result of investigations to the extent reasonably possible by the Company, it is determined that none of the following items fall under any of the following items.

- (1) Executing person of our affiliated companies
- (2) A major lender of the Company (A person who received payment from the Company of 2% or more of consolidated sales in the most recent business year) or an executing person of such lender
- (3) A Major business partner of the Company (A person who has paid the Company at least 2% of consolidated sales in the most recent business year) or an executing person of such business partner
- (4) A major shareholder of the Company (directly or indirectly Voting rights of 10% or more of the total voting rights) or an executing person of such shareholder
- (5) A person who is a law firm, audit corporation, tax accountant corporation, consulting firm, etc., who is a business executor (executive director, executive officer, executive officer) of a corporation who makes the Company a major business partner (who has received payment from the Company of 2% or more of consolidated sales in the most recent business year), or who has been an executive officer in the last three years
- (6) A legal professional, accounting professional, tax professional, or consultant etc. who has received a large amount of money (*1) or other properties from the Company,
- (7) A person who has received a large (*1) donation or grants, or a member of the Board of Directors of a corporation, a union, etc. or other an executing person from the Company
- (8) Those who have been applicable in the past three years from (2) to (7) above
- (9) Spouses or relatives within second-year parents of important persons (*2) among the persons listed in (1) to (7) above
- (10) Those who belonged to our parent or sibling company within the past 10 years

*1 The average amount of money in the past three business years is 10 million yen or more per year for individuals, and in the case of corporations, unions, etc., it exceeds 2% of consolidated sales or total income of the corporations, unions, etc.

*2 Important persons are directors (excluding external directors) Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members). and employees who are appointed as executive officers and general managers or higher.