

Securities Code: 4613  
June 8, 2022

To Shareholders with Voting Rights:

33-1 Kanzaki-cho, Amagasaki, Hyogo  
(Head office: 6-14 Imabashi 2-chome, Chuo-ku, Osaka)

## **Kansai Paint Co., Ltd.**

**MORI Kunishi**  
Representative Director of the Board, President

### NOTICE OF CONVOCATION OF THE 158TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to take this opportunity to thank you for your continued support.

You are cordially invited to attend the 158th Ordinary General Meeting of Shareholders of Kansai Paint Co., Ltd. (“the Company”). The Meeting will be held as described below.

In holding the Meeting this year, you are highly encouraged to refrain from turning out at the venue and exercise your voting rights in writing or via the Internet, etc. This recommendation is only intended to give primary consideration to your health and prevent the spread of new coronavirus (COVID-19) infection. For details, you are requested to review the following Reference Documents for the General Meeting of Shareholders on page 4 and thereafter, and cast your vote by either method so that your vote arrives by 5 p.m. on Tuesday, June 28, 2022.

1. Date and Time: 10 a.m., Wednesday, June 29, 2022 (reception desk opens at 9 a.m.)
2. Venue: Kansai Paint Head Office  
6-14 Imabashi 2-chome, Chuo-ku, Osaka
3. Agenda:
  - Matters to Be Reported:
    1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 158th Fiscal Term (from April 1, 2021 to March 31, 2022)
    2. Reports of Audit on the Consolidated Financial Statements for the 158th Fiscal Term by the Independent Auditor and the Audit & Supervisory Board
  - Proposals of Resolution:
    - First Item of Proposal: Appropriation of Surpluses of the 158th Fiscal Term
    - Second Item of Proposal: Partial Amendments to the Articles of Incorporation
    - Third Item of Proposal: Election of Eight (8) Directors of the Board
    - Fourth Item of Proposal: Election of One (1) Alternate Audit & Supervisory Board Member
    - Fifth Item of Proposal: Determination of the Amount of Performance-based Stock Compensation for Board Directors, etc. and the Details Thereof

[Our readiness to receive those coming to the venue on the day of the Meeting]

In holding the Meeting, you are highly encouraged to refrain from coming to the venue and to exercise your voting rights in writing or via the Internet, etc. This recommendation is only intended to give primary consideration to your health and prevent the spread of COVID-19 infection. If you choose to come to the venue on the day of the Meeting, we shall be ready to receive you in the following manner.

- Disinfectant alcohol spray will be made available around the reception desk at the venue, so please cooperate in disinfecting your hands and fingers.
- All of the operation staff members will wear a face mask.  
(In like manner, those attending are requested to wear a face mask at the venue.)
- As a part of precautionary measures, those attending will be seated at the venue with an increased distance between attendees.  
(We have a limited number of available seats due to seating layout constraints, which could lead to denial of your entry; in the case, we appreciate your understanding.)
- We will not give souvenirs to shareholders who attend the General Meeting of Shareholders. Your understanding is appreciated.
- Should the spread of COVID-19 infection compel us to change the schedule and/or proceedings of the Meeting, the changes will be published on the Company's website (<https://www.kansai.co.jp/>).

[Posting on the Company's website on the Internet]

- ⊙ Regarding the documents that should be attached to this notice, Part of "Matters concerning the Current Situation of the Corporate Group," "Matters Related to the Company's Share Acquisition Rights," "Matters Related to Independent Auditors," and Part of "System and Policy of the Company" of the Business Report, as well as "Statement of Changes in Net Assets (consolidated)," "Notes to the Consolidated Financial Statements," "Statement of Changes in Net Assets (non-consolidated)," and "Notes to the Non-Consolidated Financial Statements" are published on the Company's website (<https://www.kansai.co.jp/ir/meeting/>), and they are not included in the attachments to this notice. The Business Report audited by the Audit & Supervisory Board Members and the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Independent Auditor are published on the Company's website shown above, in addition to the documents included in the attachments to this notice.
- ⊙ Whenever it is necessary to make amendments to matters that should be stated in the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements or the Reference Documents for the General Meeting of Shareholders, such matters as amended will be published on the Company's website shown above.

## Proposals and Information

### First Item of Proposal

### Appropriation of Surpluses of the 158th Fiscal Term

The Company has a basic policy of distributing profits according to business results while taking into account the need to provide consistent and stable dividends to shareholders and to strengthen earning power through the enhancement of the business structure. The Company intends to make effective use of our internal reserves to establish a long-term stable business platform, as well as to invest in research and development and the improvement of our production and distribution systems both in Japan and abroad, to achieve further growth.

Based on this policy, the Company proposes appropriating surpluses of the 158th Fiscal Term as follows:

#### Payment of year-end dividends

- (1) Amount of dividend:  
¥15.00 per share of the Company's common stock.  
Total dividends: ¥3,873,013,050
- (2) Effective date of appropriation of surpluses:  
June 30, 2022

Second Item  
of Proposal

Partial Amendments to the Articles of Incorporation

1. Reason for nomination

In accordance with the revised 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), to be enforced on September 1, 2022, the Company proposes to amend the Articles of Incorporation as follows in order to introduce a system of electronic provision of materials for the General Meeting of Shareholders.

- (1) Article 16 (Electronic Provision Measures, etc.), Paragraph 1 of the Proposed Amendments shall be newly established because the Articles of Incorporation are required to stipulate that the Company will take measures to provide electronic provision of information that is the content of Reference Documents for the General Meeting of Shareholders, etc.
- (2) Among the matters to be provided electronically with respect to the information contained in the Reference Documents for the General Meeting of Shareholders, etc., Article 16 (Electronic Provision Measures, etc.), Paragraph 2 of the Proposed Amendments shall be newly established to limit the scope of matters to be included in the document distributed to shareholders who request a written document specified by the applicable Ordinance of the Ministry of Justice.
- (3) Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) of the current Articles of Incorporation shall be deleted as unnecessary once the system of electronic provision of materials for the General Meeting of Shareholders is introduced.
- (4) Supplementary Provisions regarding the effect of the above newly established and deleted provisions are to be established. These Supplementary Provisions shall be deleted after the expiration of the effective date.

2. Details of amendments

The details of amendments are as follows:

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.)</u>  <u>Article 16</u> <u>When convening a general meeting of shareholders, the Company may deem that it has provided information pertaining to matters to be stated or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements to the shareholders by disclosing such information via the Internet in accordance with the applicable Ordinance of the Ministry of Justice.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><u>(Electronic Provision Measures, etc.)</u>  <u>Article 16</u> 1. When convening a general meeting of shareholders, the Company shall take measures to provide electronically the information that is the contents of the reference documents for the general meeting of shareholders, etc.</p> <p>2. Among the matters to be provided electronically, the Company shall not be required to include all or part of the matters specified in the applicable Ordinance of the Ministry of Justice in the document to be delivered to shareholders who request a written document by the record date for voting rights.</p>
(Newly established)	<p><u>(Supplementary Provision)</u>  <u>(Transitional measures regarding electronic provision of materials for general meetings of shareholders)</u></p>
(Newly established)	<p><u>Article 1</u> The deletion of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) and the new establishment of Article 16 (Electronic Provision Measures, etc.) of the Articles of Incorporation shall take effect as of September 1, 2022.</p> <p>2. Notwithstanding the provisions of the preceding paragraph, Article 16 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) shall remain in force with respect to general meetings of shareholders whose date is within six months from September 1, 2022.</p> <p>3. The provisions of this Article shall be deleted after the later of six months from September 1, 2022 or three months from the date of the General Meeting of Shareholders set forth in the preceding paragraph, whichever is later.</p>

### Third Item of Proposal

## Election of Eight (8) Directors of the Board

The term of office of all eight (8) Directors of the Board will expire upon the close of this Meeting. The Company, therefore, requests the continued election of the current eight (8) Directors of the Board to effectively promote the Company's Medium-term Management Plan in line with our growth strategy, which would maintain the ratio of independent outside Directors of the Board to the total Board Members at more than one-third (1/3).

The nominees for Directors of the Board are as follows:

No.	Name	Current position				Number of Board of Directors' meetings attended	
1	MORI Kunishi	Representative Director of the Board, President	Reappointment			17/17	100%
2	TAKAHARA Shigeki	Representative Director of the Board, Vice President Executive Officer	Reappointment			13/13	100%
3	FURUKAWA Hidenori	Representative Director of the Board, Senior Managing Executive Officer	Reappointment			17/17	100%
4	TERAOKA Naoto	Director of the Board, Managing Executive Officer	Reappointment			17/17	100%
5	NISHIBAYASHI Hitoshi	Director of the Board, Managing Executive Officer	Reappointment			17/17	100%
6	YOSHIKAWA Keiji	Outside Director of the Board	Reappointment	Outside	Independent Officer	17/17	100%
7	ANDO Tomoko	Outside Director of the Board	Reappointment	Outside	Independent Officer	17/17	100%
8	John P. Durkin	Outside Director of the Board	Reappointment	Outside	Independent Officer	17/17	100%

Note: Since Mr. TAKAHARA Shigeki assumed the post of Director of the Board on June 29, 2021, the number of meetings held for him is different from that for other nominees for Directors of the Board.

Reappointment Candidates for Director of the Board (Reappointment)
 Outside Candidates for Director of the Board (Outside)
 Independent Officer Candidates for Independent Officer

#### Policy of nomination

Upon electing Directors of the Board of Kansai Paint, candidates are nominated to ensure that the Board of Directors has a balanced composition that includes diversity, including gender and international aspects, in addition to the knowledge and abilities necessary for the Board of Directors to effectively fulfill its responsibilities.

In addition, upon electing outside Directors of the Board, candidates are nominated from among those with management experience and lawyers, accountants, etc. with a high level of expertise and abundant experience, in accordance with Kansai Paint's independence standards.

#### Procedures of election

Kansai Paint's Directors of the Board have decided on the election of candidates for Directors after deliberation by the Nominating Committee, which consists of three (3) outside Directors and two (2) Outside Audit & Supervisory Board Members.

No. **1** **MORI Kunishi**  
(Born on March 28, 1958)

Reappoint-  
ment

Number of Company Shares Held: 12,700

Number of Board of Directors' meetings attended 17/17 (100%)

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1981	Joined Kansai Paint	April 2018	Representative Director of the Board; Senior Managing Executive Officer and COO in charge of Sales; and General Manager of the Coatings Business Div.
June 2010	Director of the Board, and Deputy General Manager of the Coatings Business Div.		(Significant positions concurrently held)
June 2015	Representative Director of the Board; Managing Executive Officer in charge of Sales and International (Significant positions concurrently held)		Representative Director of the Board, President, Kansai Paint Sales Co., Ltd. (retired March 2019)
	Representative Director of the Board, President of Kansai Paint Sales Co., Ltd.	April 2019	Representative Director of the Board, and President of Kansai Paint (current)

#### Reason for nomination

Mr. MORI Kunishi has extensive knowledge and experience in the Coatings Business, and since his appointment as Representative Director of the Board, President Director in 2019, he has demonstrated strong leadership and driven the Company's group management around the 16th Medium-term Management Plan. Moreover, he has played a central role in the decision-making and supervisory functions of the Board of Directors regarding reforms and measures to be undertaken by the Company from a long-term perspective in the formulation of the "Good to Great" Group growth strategy and the promotion of ESG management, both of which were launched by the Company in 2020. In view of his experience and track record, Mr. MORI has been nominated as Director of the Board for the position of Chief Operating Officer to further strengthen the Company's business platform, promote the medium-long term management strategy, and enhance the corporate value of the Group.

Note: There are no special conflicts of interest between Mr. MORI Kunishi as a nominee and the Company.

No. **2** **TAKAHARA Shigeki**  
(Born on November 12, 1958)

Reappoint-  
ment

Number of Company Shares Held: 1,100

Number of Board of Directors' meetings attended: 13/13 (100%)

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1981	Joined NEC Corporation	June 2021	Director of the Board, Senior Managing Executive Officer, and Chief of Corporate Planning, Finance, HR & Administration
June 2007	CFO and Corporate Officer of MISUMI Group Inc.		
February 2011	Member of the Board and Operating Officer, CFO, Accounting & Finance Lead, Japan (retired February 2020)	April 2022	Representative Director of the Board, Vice President Executive Officer, Chief of Corporate Planning, Finance, HR & Administration (current)
April 2020	Joined Kansai Paint; Managing Executive Officer, and General Manager of Corporate Planning & Finance		(Significant positions concurrently held)
April 2021	Senior Managing Executive Officer, and Chief of Corporate Planning, Finance, HR & Administration		Director of the Board of Kansai Nerolac Paints Ltd. Director of the Board of Kansai Paint Sales Co., Ltd.

#### Reason for nomination

Mr. TAKAHARA Shigeki has been engaged in accounting and finance operations of leading global companies and has professional knowledge and abilities of corporate management gained through his abundant experience as a CFO. Mr. TAKAHARA Shigeki has been a Director of the Board of the Company since June 2021, and as the Chief of Corporate Planning, Finance, HR & Administration, he is responsible for directing the implementation of the 16th Medium-term Management Plan's cornerstone, "profit growth with improved capital productivity and profitability," using optimal methods that bring together the best practices of the Group. Mr. TAKAHARA was nominated as Director of the Board since he is deemed most appropriate for promoting our management to enhance corporate value by strengthening the governance and business platform to enable the Company to achieve further sustainable growth in the future.

Note: There are no special conflicts of interest between Mr. TAKAHARA Shigeki as a nominee and the Company.



No. **3** **FURUKAWA Hidenori**  
 (Born on September 4, 1958)

Reappoint-  
ment

Number of Company Shares Held: 17,800

Number of Board of Directors' meetings attended: 17/17 (100%)

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1983	Joined Kansai Paint	June 2019	Representative Director of the Board, Senior Managing Executive Officer in charge of Production, Technology and Procurement
June 2011	Executive Officer, and Deputy Head of Production Div.		
June 2013	Director of the Board, Managing Executive Officer, and Head of Production Div.	April 2021	Representative Director of the Board, and Senior Managing Executive Officer
April 2018	Director of the Board, Managing Executive Officer in charge of Technology, Quality & Environment, and Deputy Head of Coatings Business Div.		Chief of Corporate Production, Supply Chain Management (SCM), and Procurement (current)

#### Reason for nomination

Mr. FURUKAWA Hidenori has mainly been engaged in technical, production and manufacturing operations since joining the Company, and he has a wealth of experience in and broad knowledge of the Company's product design, production technologies, and products to address the needs of the market. Mr. FURUKAWA has been in charge of overall production, technology, and procurement as Representative Director of the Board and Senior Managing Executive Officer of the Company since June 2019, and from 2021, he has been appointed as Chief of Corporate Production, Supply Chain Management (SCM), and Procurement, promoting the improvement of profitability of the Company's core businesses through optimal product management, including overall supply chain efficiency and risk management. In view of his knowledge and track record, Mr. FURUKAWA was nominated as Director of the Board since he is deemed most appropriate for promoting continuous improvement the medium -long term profitability and structural reforms of the Company.

Note: There are no special conflicts of interest between Mr. FURUKAWA Hidenori as a nominee and the Company.

No.

4

**TERAOKA Naoto**

(Born on September 21, 1961)

Reappoint-  
ment

Number of Company Shares Held:	8,600
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Number of Board of Directors' meetings attended	17/17 (100%)
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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1985	Joined Kansai Paint	April 2021	Director of the Board, Managing Executive Officer, and Chief of Japan Business Unit
April 2012	Executive Officer, and General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div.		Representative Director of the Board, and President of Kansai Paint Sales Co., Ltd. (current)
April 2019	Director of the Board, Managing Executive Officer in charge of Sales and General Manager of Coatings Business Div. Representative Director of the Board, and President of Kansai Paint Sales Co., Ltd.		(Significant positions concurrently held) Representative Director of the Board, and President of Kansai Paint Sales Co., Ltd.

#### Reason for nomination

Mr. TERAOKA Naoto has been engaged in a wide range of sales and marketing activities, including automotive and industrial coatings, since joining the Company, and has extensive knowledge of the Company's Coatings Business, achieving a great deal of success. He has been in charge of sales as Director of the Board and Managing Executive Officer since June 2019, and has been appointed Chief of the Japan Business Unit since 2021, responsible for business management from a medium- and long-term perspective to respond to changes in the business environment, directing the division. In view of his experience and track record, Mr. TERAOKA was nominated as Director of the Board since he is deemed most appropriate for promoting continuous business structure reform and profitability improvement in the overall Coatings Business.

Note: There are no special conflicts of interest between Mr. TERAOKA Naoto as a nominee and the Company.

No. **5** **NISHIBAYASHI Hitoshi**  
(Born on May 31, 1963)

Reappoint-  
ment

Number of Company Shares Held: 1,000

Number of Board of Directors' meetings attended 17/17 (100%)

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

		(Significant positions concurrently held)
April 1987	Joined Kansai Paint	
April 2015	Deputy Head of Automotive Refinish, Decorative and Protective Coatings Business Div.	Director of the Board of Kansai Helios Coatings GmbH Director of the Board of Kansai Nerolac Paints Ltd.
April 2019	Executive Officer, and Deputy General Manager of Corporate Business Development Div.	Director of the Board of Kansai Plascon East Africa (Pty) Ltd.
June 2020	Director of the Board, Managing Executive Officer, and Head of International Business Unit.	President komisaris (Commissioner), PT Kansai Prakarsa Coatings
July 2020	Director of the Board, and Managing Executive Officer in charge of Corporate Planning & Finance	
April 2021	Director of the Board, Managing Executive Officer, and Chief of International Business Unit (current)	

#### Reason for nomination

Mr. NISHIBAYASHI Hitoshi has been engaged mainly in overseas business planning and its promotion since he joined the Company, and he has a wealth of experience in and knowledge in the business management of the Company's overseas subsidiaries as well as in promoting cooperation with the Company, regardless of market sector or region. He has served as Director of the Board and Managing Executive Officer of the Company since June 2020 and as Chief of the International Business Unit since 2021, where he has promoted business optimization in each overseas segment and achieved results in improving profitability. In view of his knowledge and track record, Mr. NISHIBAYASHI was nominated as Director of the Board since he is deemed most appropriate for promoting global business portfolio management as our medium- and long-term growth driver, while enhancing resilience.

Note: PT Kansai Prakarsa Coatings, for which Mr. NISHIBAYASHI Hitoshi, the candidate, serves as President Commissioner, conducts the same type of business as the Company, and the Company continuously sells paint to PT Kansai Prakarsa Coatings.

No.	<b>6</b>	<b>YOSHIKAWA Keiji</b> (Born on July 6, 1950)	Reappointment	Outside	Independent Officer
Number of Company Shares Held: -					
Number of Board of Directors' meetings attended: 17/17 (100%)					

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1973	Joined Nippon Sheet Glass Co., Ltd.	January 2021	Outside Director of LAUREL BANK MACHINES CO., LTD. (current)
June 2008	Executive Officer, and Head of Functional Glass SBU of Nippon Sheet Glass Co., Ltd.	May 2021	Outside Director of AEON DELIGHT CO., LTD. (current)
February 2012	Representative Executive Officer, Executive Vice President, and CPMO (Chief Project Management Officer) of Nippon Sheet Glass Co., Ltd.	June 2021	Outside Director, and Member of the Audit and Supervisory Committee of Fujikura Ltd.
April 2012	Representative Executive Officer, President and CEO of Nippon Sheet Glass Co., Ltd.	(Significant positions concurrently held)	
June 2015	Advisor of Nippon Sheet Glass Co., Ltd. (retired June 2017)	Outside Director of LAUREL BANK MACHINES CO., LTD.	
June 2018	Outside Director of the Board of Kansai Paint (current)	Outside Director of AEON DELIGHT CO., LTD.	
		Outside Director, and Member of the Audit and Supervisory Committee of Fujikura Ltd. (current)	

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

Mr. YOSHIKAWA Keiji has vast experience in the manufacturing industry and deep insight as a manager, as well as a wealth of experience in and knowledge of product and supply chain management and global governance. Mr. YOSHIKAWA was nominated as outside Director of the Board, since it is deemed beneficial to the Company if he continues to reflect his advice based on such insight in the business management and monitor the Company's management from a fair and neutral position.

It should be noted that Mr. YOSHIKAWA will have served as Outside Director of the Board for four (4) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

Mr. YOSHIKAWA Keiji previously served as Advisor for Nippon Sheet Glass Co., Ltd., a client of the Company's group company, and a former officer of the Company was appointed as outside Director of Nippon Sheet Glass Co., Ltd. However, since the amount of business with said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.05% of said client's consolidated net sales, there is no risk of conflict of interest with general shareholders. He also serves Fujikura Ltd. as outside Director. However, the amount of business with the said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.01% of the said client's consolidated net sales, so there is no risk of conflict of interest with general shareholders, and his independence will not be affected. His independence will not be affected as there is no business relationship between the Company and LAUREL BANK MACHINES CO., LTD. and AEON DELIGHT CO., LTD., where he currently serves as outside Director. Furthermore, Mr. YOSHIKAWA fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 26.

It should be noted that the Company has designated Mr. YOSHIKAWA as an independent officer pursuant to the provisions of the Tokyo Stock Exchange, and has him registered as such with the institution.

#### Limited liability agreement with the Outside Director of the Board nominee

The Company has concluded a limited liability agreement with Mr. YOSHIKAWA Keiji, the gist of which is stated in the Business Report (page 41). In the event that Mr. YOSHIKAWA is elected and appointed, the Company will retain the agreement with him.

Note: Mr. YOSHIKAWA Keiji is a nominee for Outside Director of the Board. There are no special conflicts of interest between him and the Company.

No.	<b>7</b>	<b>ANDO Tomoko</b> (Born on July 18, 1959)	Reappoint- ment	Outside	Independent Officer
Number of Company Shares Held:		-			
Number of Board of Directors' meetings attended		17/17 (100%)			

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

December 1996	Joined Master Foods Ltd. (currently Mars Japan Limited)	June 2018	Outside Director of PRESS KOGYO CO., LTD. (Audit and Supervisory Committee Member) (current)
January 2006	People Pipeline Manager of Master Foods Ltd.	June 2019	Outside Director of the Board of Kansai Paint (current) (Significant positions concurrently held)
August 2008	Joined NIHON L'ORÉAL K.K.		
March 2011	Vice President and Head of Human Resources of NIHON L'ORÉAL K.K. (retired May 2016)		Outside Director of PRESS KOGYO CO., LTD. (Audit and Supervisory Committee Member)

#### Reasons for nomination as Outside Director of the Board, outline of her expected role, and her term of office

Ms. ANDO Tomoko has vast experience in the consumer products market and deep insight as a manager, as well as a wealth of experience in and knowledge of brand marketing, sales planning, personnel strategy, and human resource development. In view of her knowledge and track record, Ms. ANDO was nominated as outside Director of the Board, since it is deemed beneficial to the Company if she continues to reflect her insight in the management of the Company and monitor the Company's management from a fair and neutral position.

It should be noted that Ms. ANDO will have served as Outside Board of Director for three (3) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

Although Ms. ANDO Tomoko previously served at Mars Japan Limited and NIHON L'ORÉAL K.K., the Company has no business relationship with these companies. She also currently serves at PRESS KOGYO CO., LTD., a client of the Company's group company, as Outside Director (Audit & Supervisory Board Member). However, the amount of business with the said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.2% of the said client's consolidated net sales, so there is no risk of conflict of interest with general shareholders, and her independence will not be affected. Furthermore, the Company holds 90,309 shares of the client's stock, which only accounts for less than 0.1% of the number of shares authorized by the client. Therefore, there is no risk of conflict of interest with general shareholders, and her independence will not be affected. Furthermore, Ms. ANDO fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 26.

It should be noted that the Company has designated Ms. ANDO as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and has her registered as such with the institution.

#### Limited liability agreement with the Outside Director of the Board nominee

The Company has concluded a limited liability agreement with Ms. ANDO Tomoko, the gist of which is stated in the Business Report (page 41). In the event that Ms. ANDO is elected and appointed, the Company will retain the agreement with her.

Note: Ms. ANDO Tomoko is a nominee for Outside Board Director. There are no special conflicts of interest between her and the Company.

No.	<b>8</b>	<b>John P. Durkin</b> (Born on April 18, 1960)	Reappoint- ment	Outside	Independent Officer
Number of Company Shares Held:		-			
Number of Board of Directors' meetings attended		17/17 (100%)			

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 2010	Joined BELLSYSTEM24, Inc. as CFO (retired May 2012)	June 2019	Outside Director of the Board of Kansai Paint (current) (Significant positions concurrently held)
February 2013	Joined Sushiro Global Holdings Ltd. as Board Director and CFO (retired December 2017)		Board Director of John Masters Organics Group, Inc.
January 2018	Joined John Masters Organics Group, Inc. as Board Director (current)		

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

Mr. John P. Durkin has vast experience in business management as CFO and a wealth of knowledge of general management, administration and corporate finance. Mr. Durkin was nominated as outside Director of the Board since it is deemed beneficial to the Company if he continues to reflect his advice based on such insight in the business management and monitor the Company's management from a fair and neutral position.

It should be noted that Mr. Durkin will have served as Outside Director of the Board for three (3) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

Mr. John P. Durkin had served as CFO for BELLSYSTEM24, Inc. and Sushiro Global Holdings Ltd., and he currently serves as Board Director for John Masters Organics Group, Inc., but his independence will not be affected since the Company has no business relationship with any of these companies. Furthermore, Mr. Durkin fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 26.

It should be noted that the Company has designated Mr. Durkin as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and has his registered as such with the institution.

#### Limited liability agreement with the Outside Director of the Board nominee

The Company has concluded a limited liability agreement with Mr. John P. Durkin, the gist of which is stated in the Business Report (page 41). In the event that Mr. Durkin is elected and appointed, the Company will retain the agreement with him.

Note: Mr. John P. Durkin is a nominee for Outside Director of the Board. There are no special conflicts of interest between him and the Company.

## Fourth Item of Proposal

### Election of One (1) Alternate Audit & Supervisory Board Member

The term of office of Alternate Audit & Supervisory Board Member Ms. NAKAI Hiroe, who was elected at the 157th Ordinary General Meeting of Shareholders held on June 29, 2021, will expire upon the opening of this Meeting. The Company, therefore, proposes the election of one (1) Alternate Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its prior accord to this Fourth Item of Proposal.

The nominee for Alternate Audit & Supervisory Board Member is as follows:

#### NAKAI Hiroe

(Born on May 20, 1961)

Outside

Number of Company Shares Held: -

#### Brief Personal History and Positions at the Company (Significant Positions Concurrently Held)

April 1988 Registered as a lawyer (Osaka Bar Association)  
August 2016 Outside Audit & Supervisory Board Member of Kansai  
Paint (retired in June 2017)  
June 2018 Outside Director of GUNZE LIMITED (current)

(Significant positions concurrently held)

Lawyer and Outside Director of GUNZE LIMITED

#### Reason for nomination as Alternate Outside Audit & Supervisory Board Member

Ms. NAKAI Hiroe has expertise in the legal field based on her many years of experience as a lawyer. From August 2016 to June 2017, she monitored the Company's management as Outside Audit & Supervisory Board Member from a fair and neutral standpoint. In view of her experience in supervising corporate management as Outside Director, Ms. NAKAI was nominated as Alternate Outside Audit & Supervisory Board Member since she is deemed most appropriate for enhancing the corporate governance of the Company, including its legal affairs and compliance, by utilizing her wealth of experience.

#### The reason for determining that the nominee fulfills her duties as an Outside Audit & Supervisory Board Member

Ms. NAKAI Hiroe does not have experience dealing directly with corporate management by means other than serving as an Outside Officer, but it is believed that her professional knowledge and experience as a lawyer and adequate insights into guiding corporate management will enable her to fulfill the duties of an Outside Audit & Supervisory Board Member.

#### Independence as Audit & Supervisory Board Member (outside) nominee

The Company does not do business with the law firm to which Ms. NAKAI Hiroe belongs. The Company has no business relationship with GUNZE LIMITED, where she currently serves as outside Director. Therefore, there are no special conflicts of interest between the said companies and the Company that would affect her independence. Furthermore, Ms. NAKAI fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 26.

In the event that Ms. NAKAI is appointed as an Outside Audit & Supervisory Board Member, the Company will designate her as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and notify the institution of her appointment.

#### Limited liability agreement with the Audit & Supervisory Board Member (outside) nominee

In the event that Ms. NAKAI Hiroe is appointed as an Outside Audit & Supervisory Board Member, the Company will conclude a limited liability agreement with Ms. NAKAI that sets out her liability for failure to perform her duties in the amount prescribed by laws and ordinances, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.

Note: 1. Ms. NAKAI Hiroe's name on her family register is ASAMI Hiroe.

2. Ms. NAKAI Hiroe is a nominee for Alternate Outside Audit & Supervisory Board Member. There are no special conflicts of interest between her and the Company.

Fifth Item of  
Proposal

Determination of the Amount of Performance-based Stock  
Compensation for Board Directors, etc. and the Details Thereof

1. Reasons for the proposal and justification for the Plan revision

At the 153rd ordinary general meeting of shareholders held on June 29, 2017, the Company has approved the introduction of a performance-based stock compensation plan (the “Plan”) for directors (excluding Outside Board Directors and non-residents in Japan; hereinafter the same shall apply in this Proposal), managing executive officers and executive officers (the “Board Directors, etc.,” excluding non-residents in Japan) of the Company, under which the Company’s shares are acquired through a trust funded by the amount of compensation for Board Directors, etc. contributed by the Company, and the Company’s shares and cash equivalent to the conversion amount of the Company’s shares (the “Company’s Shares, etc.”) are delivered and paid (the “Delivery, etc.”) to the Board Directors, etc.

The Company has recently established a new basic policy for executive compensation and reviewed its executive compensation system. The Company believes that Board Directors, etc., need to be further motivated to achieve the growth strategy “Good to Great” announced in November 2021 to realize the Group’s corporate philosophy and the medium-term management plan to be launched this fiscal year, and that it is also necessary to change the executive compensation system in line with the ever-changing external environment. In line with the revision of the executive compensation plan, the Company proposes to change the maximum amount of contribution and the maximum number of shares to be issued under the Plan in order to further raise awareness of the need to contribute to the realization of medium- and long-term growth strategies and the enhancement of corporate value, and to accommodate future changes in the positions of the Board Directors, etc.

The Company believes that the revisions to the Plan are appropriate, as they are intended to raise awareness of the need to contribute to medium- and long-term performance improvement and increase corporate value, and to share interests with shareholders. The revision has been discussed by the Evaluation Committee, a voluntary advisory organization to the Board of Directors.

If Third Item of Proposal, “Election of Eight (8) Directors of the Board,” is approved as proposed, the number of the Company’s Directors subject to the Plan will be five (5) (nine (9) Managing Executive Officers and Executive Officers who do not concurrently serve as Directors).



## 2. Revised details of the Plan

In order to continue the Plan, the Company proposes to revise some of the contents and previous conditions of the Plan. The revised details are as follows.

### (1) Outline of the Plan

A stock compensation plan under which the Company's shares are acquired through a trust funded by the compensation amount to be contributed by the Company to the Board Directors, etc., and the Company's Shares, etc., are delivered to the Board Directors, etc. (details are shown in (2) below and thereafter).

(i) Persons to whom the Company's Shares, etc. subject to this Proposal are to be Delivery, etc.	<ul style="list-style-type: none"> <li>• The Company's Board Directors, etc.</li> </ul>
(ii) Effect of the Company's shares subject to this Proposal on the total number of shares issued and outstanding	
Maximum amount of money to be contributed by the Company (as described in (2) below).	<ul style="list-style-type: none"> <li>• 750 million yen for three fiscal years</li> </ul>
Maximum number of the Company's shares, etc. to be delivered, etc. to the Board Directors, etc. (as described in (3) below).	<ul style="list-style-type: none"> <li>• 90,000 shares multiplied by the number of years of the subject period, and the maximum number of shares to be delivered, etc. to the Board Directors, etc. over the initial three fiscal years of the subject period is 270,000 shares.</li> <li>• The ratio of the maximum number of the Company's shares, etc. to be delivered, etc. to the Board Directors, etc. per fiscal year to the total number of the Company's outstanding shares (as of March 31, 2022, net of treasury shares) is approximately 0.03%.</li> </ul>
Method of acquisition of the Company's shares (as described in (2) below).	<p>The Company's shares associated with the Plan will be acquired from the stock market or from the Company (treasury shares disposal, etc.) Note, however, that the Company's shares for the initial target period will be acquired from the stock market, so there will be no dilution.</p>
(iii) Details of the conditions for achievement of performance (as described in (3) below)	<ul style="list-style-type: none"> <li>• Performance Indicators, etc., set forth in the Company's Medium-Term Management Plan</li> <li>• The indicators to be used for the initial target period shall be EBITDA and ROE</li> <li>• The performance-linked coefficient fluctuates from 0% to 200%, depending on the degree of achievement of each</li> </ul>
(iv) Time of Delivery, etc. of the Company's Shares, etc. to the Board Directors, etc. (as described in (4) below)	<ul style="list-style-type: none"> <li>• Upon retirement (Provided, however, that the Company's shares acquired through the Plan shall be held continuously until one year has passed since the retirement of the retired employee)</li> </ul>

(2) Maximum amount of money to be contributed by the Company

The Plan covers the three fiscal years (initially for the three fiscal years ending March 31, 2023 through March 31, 2025) corresponding to the period covered by the Company's Medium-term Management Plan (the period covered by the Plan is the "Eligible Period").

During the Eligible Period, the Company shall contribute trust money within the amount of 250 million yen multiplied by the number of years of the Eligible Period (750 million yen for the initial three fiscal years of the Eligible Period) and establish a trust (the "Trust") for a period equivalent to the Eligible Period with Board Directors, etc. who satisfy the requirements for beneficiaries as beneficiaries.

The Trust shall acquire the Company's shares from the stock market or the Company (through treasury shares disposal, etc.) using the money entrusted to it as the source of funds, in accordance with the instructions of the trust manager.

The Company shall grant points to the Board Directors, etc. (as described in (3) below) during the Eligible Period, and after the Board Directors, etc. retire (however, in the event of the death of Board Directors, etc., after death; the same shall apply hereinafter), the Trust shall deliver, etc. the Company's shares, etc. from the Trust equivalent to the accumulated value of the points granted (the "Accumulated Points").

At the expiration of the trust period of the Trust, the Trust may be continued by amending the trust agreement or by conducting an additional trust instead of establishing a new Trust. In such cases, the trust period will be extended for three years, and the three fiscal years following the extension of the trust period will be the Eligible Period. The Company shall make additional contributions within the amount of 750 million yen for each extended trust period, and the Trust shall continue to grant points to the Board Directors, etc. during the extended trust period, and the Trust shall continue to Deliver, etc. the Company's shares, etc. during the extended trust period.

However, in the case of such additional contribution, if there are Company shares (excluding shares of the Company corresponding to points granted to Directors, etc. that have not yet been delivered, etc.) and money ("Remaining Shares, etc.") remaining before the extension, the total amount of the Remaining Shares, etc. and the additional trust money to be contributed by the Company shall be within the limit of 750 million yen.

Furthermore, in the event that the trust agreement is not amended or an additional trust is not placed at the expiration of the trust period of each Trust, if the Board Directors, etc. who may satisfy the requirements for beneficiaries remain in office, no points will be granted to the Board Directors, etc. thereafter, but the trust period may be extended until such Board Directors, etc. retire and delivery, etc. of the Company's Shares, etc. to such Board Directors, etc. is completed.

(3) Calculation method and maximum number of the Company's shares to be delivered to the Board Directors, etc.

The Company will grant points, calculated based on the following calculation method, to Board Directors, etc. (including Board Directors, etc. who retired due to the expiration of their terms of office, etc. as of the same date) in office at the end of each fiscal year (initially, for the fiscal year ending March 31, 2023) during the trust period at a predetermined time after the end of the relevant fiscal year. Such points are accumulated every year, and upon the retirement of Board Directors, etc., the Company's Shares, etc., will be delivered, etc. in proportion to the number of points accumulated.

<Calculation of points>

The points granted to the Board Directors, etc. shall be the total number of fixed points and performance-linked points. Fixed points and performance-linked points are calculated by dividing the fixed portion, which is half of the base amount of stock-based compensation by position determined in advance according to the respective positions ("Fixed Base Amount"), and the performance-linked portion, which is the remaining half of the base amount ("Performance-Linked Base Amount"), by the closing price of the Company's shares ("Assumed Stock Price") on the Tokyo Stock Exchange on July 1 of the first year of the period covered by the Trust (or, if such date is not a business day, the following business day, which for the initial eligible period shall be July 1, 2022), multiplied by the performance-linked coefficient.

(Fixed point formula)

Fixed base amount ÷ Assumed stock price (rounded down to the nearest whole number)

(Calculation formula for performance-linked points)

Performance-linked basis amount ÷ Assumed stock price × Performance-linked coefficient (\*) (rounded down to the nearest whole number)

(\*) The performance-linked coefficient fluctuates in the range of 0 to 200% based on the degree of achievement of performance indicators (EBITDA and ROE for the initial period covered) and other targets set forth in the Company's Medium-term Management Plan.

One point equals one Company share. If the Company's shares in the Trust increase or decrease during the trust period due to stock splits, reverse stock splits, etc., the Company will adjust the number of the Company's shares to be delivered, etc., according to the ratio of such increase or decrease.

The maximum number of points to be granted to the Board Directors, etc. during the trust period of the Trust shall be 90,000 points multiplied by 3, the number of years of the Eligible Period, and the maximum number of the Company's Shares, etc. that the Board Directors, etc. may receive from the Trust during the trust period shall be the number of shares equivalent to such maximum number of points (the "Maximum Number of Shares to Be Delivered"). Therefore, the Maximum Number of Shares to Be Delivered corresponding to the initial target period covering three fiscal years will be 270,000 shares (one share of the Company's stock per point). The Maximum Number of Shares to Be Delivered is set based on the maximum amount of money to be contributed by the Company as described in (2) above, and with reference to changes in the stock price. Should the Trust be continued in accordance with (2) above, the Maximum Number of Shares to Be Delivered during the extended trust period shall be the number of shares equivalent to the number of points obtained by multiplying 90,000 points by 3, the number of years of the extended trust period.

(4) Method and timing of Delivery, etc. of the Company's Shares, etc. to the Board Directors, etc.

Board Directors, etc. who satisfy the requirements for beneficiaries shall receive from the Trust the number of the Company's shares equivalent to the accumulated points at the time of their retirement from office as Board Directors, etc.

At that time, such Board Directors, etc. shall convert the number of Company's shares equivalent to a certain percentage of the number of points into cash within the Trust to secure funds for tax payments, shall receive a cash payment equivalent to the amount of the conversion amount, and shall receive the number of Company shares equivalent to the remaining number of points (rounding down shares less than one unit).

The Company shares acquired through the Plan shall continue to be held until one year has elapsed after retirement.

(5) Clawback system, etc.

In the event of serious misconduct or violation by the Board Directors, etc., the Company may demand that such Directors forfeit the points granted under the Plan (malus) and demand the return of money equivalent to the shares, etc. delivered (clawback).

(6) Voting rights related to the Company's shares in the Trust

No voting rights shall be exercised with respect to the Company's shares in the Trust during the trust period in order to ensure neutrality to management.

(7) Other details of the Plan

Other details regarding the Plan shall be determined by the Board of Directors each time the Trust is established, the trust agreement is amended, or additional contributions are made to the Trust.

(8) Reference

A summary of the recent revision of the executive compensation system can be found in “Regarding Revisions to our Executive Compensation System” dated May 11, 2022.

## <Matters for judging the Third Item to Fourth Item of the Proposal>

### 1. Directors' and Officers' Liability Insurance (D&O)

The Company has entered into a Directors' and Officers' Liability Insurance agreement with an insurance company for Directors of the Board, Audit & Supervisory Board Members and Executive Officers of the Company, as well as Directors of the Board and Audit & Supervisory Board Members of major consolidated subsidiaries, as the insured pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The insurance policy is designed to cover damages that may arise due to the said insured assuming responsibility for his/her duties or receiving claims related to the pursuit of such responsibility. In the event that the candidates for the Third Item and Fourth Item of the Proposal are appointed, they will be included in the insured of the insurance policy. The Company also plans to update at the time of renewal with the same content.

### 2. Composition and expertise of the members of the Board of Directors and the Audit & Supervisory Board in the event that the Third Item of the Proposal is approved

The expertise we consider necessary to carry out the Company's management and the specialization we expect from individual members of the Board of Directors and the Audit & Supervisory Board are as follows.

Position	Name	Affiliation	Business management	Marketing business strategy	Development Product Management SCM	Financial accounting M&A	Global	Human resources Human resource training	Compliance Governance
Representative Director of the Board, President	MORI Kunishi	Internal Male	•	•					
Representative Director of the Board, Vice President Executive Office	TAKAHARA Shigeki	Internal Male	•			•	•		•
Representative Director of the Board, Senior Managing Executive Officer	FURUKAWA Hidenori	Internal Male	•		•				
Director of the Board, Managing Executive Officer	TERAOKA Naoto	Internal Male	•	•					
Director of the Board, Managing Executive Officer	NISHIBAYAS HI Hitoshi	Internal Male	•	•			•		
Outside Director of the Board	YOSHIKAWA Keiji	Outside Independent Male	•	•	•				
Outside Director of the Board	ANDO Tomoko	Outside Independent Female	•	•				•	
Outside Director of the Board	John P. Durkin	Outside Independent Foreign Male	•			•	•		
Audit & Supervisory Board Member (Full time)	YOSHIDA Kazuhiro	Internal Male	•	•				•	•
Audit & Supervisory Board Member (Full time)	HASEBE Hideshi	Internal Male				•			
Outside Audit & Supervisory Board Member	Colin P. A. Jones	Outside Independent Foreign Male					•		•
Outside Audit & Supervisory Board Member	YAMAMOTO Tokuo	Outside Independent Male				•	•		•

### 3. Approach to Cross-shareholdings and Reduction Status

In the Growth Strategy “Good to Great” announced in November 2020, the Company has set “Generating Funds for Investment in Growth by Reducing Total Assets” as a part of strengthening infrastructure to support the implementation of the strategy. As one of its measures, the Company is promoting the reduction of cross-shareholdings while examining the economics of such holdings, and the current status as of the end of the current fiscal year is as follows:

	As of March 31, 2022		As of March 31, 2021	
	Number of issues	The carrying amount on the balance sheets (millions of yen)	Number of issues	The carrying amount on the balance sheets (millions of yen)
Unlisted shares	43	2,399	44	2,402
Shares other than unlisted shares	56	58,750	60	51,581

#### <Reduction of Cross-shareholdings of the 158th Fiscal Term (Sales amount)>

	Number of issues	Sales amount (millions of yen)
Unlisted shares	1	57
Shares other than unlisted shares	7	1,692

#### 4. Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members

Article 1 These regulations set out the standards concerning independence for appointing Outside Directors of the Board and Outside Audit & Supervisory Board Members (the “Outside Officers”) at the Company.

Article 2 Outside Officers of the Company must not fall under any of the following descriptions:

- (1) A director of the board (excluding Outside Directors of the Board of the Company or its consolidated subsidiaries), executive director of the board, audit & supervisory board member (excluding Outside Audit & Supervisory Board Members of the Company or its consolidated subsidiaries), executive officer, accounting corporate advisor (in the case where the said accounting corporate advisor is a corporation, including corporate employees required to perform work for the corporation), manager or other employee of the Company or its consolidated subsidiary
- (2) An individual for whom the Company or its consolidated subsidiary is a major business partner or who serves as an executive at an entity for which the Company is a major business partner
- (3) An individual who is a major business partner of the Company or its consolidated subsidiary or who serves as an executive at an entity that is a major business partner of the Company
- (4) A major shareholder of the Company (in the case where the said major shareholder is a corporation, an individual who serves as an executive at the said corporation)
- (5) An individual who receives a large amount of donations from the Company or its consolidated subsidiary (in the case where the said individual who receives a large amount of donations is a corporation, or an individual who serves as an executive at the said corporation)
- (6) A consultant, accounting expert or law expert who receives a large amount of cash or other assets from the Company or its consolidated subsidiary in addition to the executive compensation (in the case where the individual who receives the said assets is an entity, such as a corporation, a union, or an individual who belongs to the said entity)
- (7) An individual to whom any of the items numbered (1) to (5) above has applied in the past
- (8) An individual to whom item (6) above has applied within the last three years
- (9) A relative within the second degree of kinship or spouse of an individual described in any of the items numbered (1) to (8) above (applies only to important individuals)

Article 3 Outside Officers of the Company shall not be subject to any circumstances in addition to those stipulated in the previous Article that might potentially cause a substantial conflict of interest with general shareholders of the Company.

Article 4 Outside Officers of the Company shall endeavor to maintain their independence as prescribed in these regulations. Outside Officers shall notify the Company immediately if these regulations have been violated and there is a risk that they no longer qualify as independent.

Notes:

Article 1 The contents of these standards are pursuant to the Companies Act and the Enforcement Rules for Securities Listing Regulations of the Tokyo Stock Exchange.

Article 2

- (2) “Individual for whom the Company or its consolidated subsidiary is a major business partner” denotes a business partner whose sales as a consolidated group to the Company’s consolidated group exceed 2% of the consolidated net sales of the business partner for the most recent fiscal year.
- (3) “Major business partner” denotes a business partner for whom sales of the Company’s consolidated group to the relevant business partner’s consolidated group exceed 2% of the Company’s consolidated sales for the most recent fiscal year.
- (4) “Major shareholder” denotes an individual who directly or indirectly owns 10% or more of the total voting rights.
- (5) “Large amount” denotes the receiving of assets that exceed the larger of ¥10 million or 2% of sales of the individual for the most recent fiscal year.
- (6) “Large amount” denotes the receiving of assets that exceed the larger of ¥10 million or 2% of sales of the individual for the most recent fiscal year.
- (9) “Important” denotes the officer class or equivalent of each business partner.