

## Basic Policy on Corporate Governance

Electric Power Development Co., Ltd.

### Chapter 1 Basic Philosophy regarding Corporate Governance

#### (Corporate Philosophy and Basic Philosophy regarding Corporate Governance)

##### Article 1

1. In accordance with its Corporate Philosophy, the Company endeavors to enhance corporate governance on an ongoing basis, in order to realize sustainable growth and enhance corporate value over the medium-to-long term.

##### Corporate Philosophy

###### Our Mission

We will meet people's needs for energy without fail, and play our part for the sustainable development of Japan and the rest of the world.

###### Our Credo

- We value integrity and pride, which drive everything we do.
  - We pursue harmony with the environment, and thrive in the trust of communities where we live and work.
  - We regard profits as the source of our growth, and share the fruits with the society.
  - We refine our knowledge constantly, to be the pioneering leader in technologies and wisdom.
  - We unite diverse personalities and passions as one, and dare create a better tomorrow.
2. To enhance corporate governance, the Company promotes the development of systems that enable each of the Company's organizations, including the Board of Directors, to sufficiently fulfill their roles and obligations, while striving to ensure appropriate information disclosure and transparency, with due consideration of the positions of the Company's stakeholders, including its shareholders.

### Chapter 2 Ensuring the Rights and Equality of Shareholders

#### (Ensuring the Rights and Equality of Shareholders)

Article 2

1. The Company respects shareholder rights, including voting rights at the general meeting of shareholders, and ensures the substantial equality of shareholders.
2. The Company gives consideration to ensuring the exercise of the special rights to listed companies and their officers that are also recognized for minority shareholders (including the right to seek an injunction against illegal activities and the right to file a shareholder lawsuit).

**(General Meetings of Shareholders)**

Article 3

1. The Company provides information that is regarded to contribute to appropriate decision-making at general meetings of shareholders, through the improvement of the contents of convocation notices, reference materials, and business reports, as well as the disclosure of financial results, timely disclosures, and postings on its website, as needed.
2. The Company sends a convocation notice for each ordinary general meeting of shareholders as early as possible, regardless of the legal deadline, to ensure that shareholders have sufficient time to consider proposals for the meetings, and enable shareholders to appropriately exercise their voting rights. It also endeavors to disclose information included in the convocation notice through TDnet and the Company's website, prior to sending the notice.
3. The Company endeavors to establish an environment in which all shareholders can appropriately exercise their voting rights, including those who do not attend the general meeting of shareholders, by using the Electronic Voting Platform and providing English translations of the convocation notice of the meetings.
4. The Company endeavors to avoid holding the general meeting of shareholders on days crowded with other companies' shareholder meetings.
5. In cases where institutional investors who hold shares in the name of a trust bank or other custodial institutions express a desire, in advance, to exercise their voting rights at a general meeting of shareholders in place of said trust bank, etc., the Company works with the trust bank, etc. to respond to the institutional investors.
6. When a proposal receives opposing votes that account for 20% or more of all votes at a general meeting of shareholders, the Company will analyze the reasons for that result at a meeting of the Board of Directors, and engage in dialogue, etc. with the shareholders.

**(Capital Policy, etc.)**

#### Article 4

1. As capital policy trends may have a significant effect on shareholder returns, the Company explains its basic policy regarding the capital policy through its management plans, financial results briefings, and securities reports, etc.
2. With respect to a capital policy (including capital increases and MBOs) that results in a change of control or in significant dilution, in order to avoid unfair harm to the interests of existing shareholders, the Company carefully examines the necessity and rationality for the policy at a meeting of the Board of Directors, ensures appropriate procedures, and provides an explanation to the shareholders to enable them to understand the matter.
3. The Company does not adopt anti-takeover measures aimed at solely protecting the position of the management or the Board of Directors.
4. The Company requests for any person who intends to make a large-scale purchase of the Company's shares, with the aim of acquiring a controlling interest, to provide the necessary and adequate information and time to enable the shareholders and the Board of Directors to make an appropriate judgment. In the event that information and time is insufficient, or upon consideration, that the large-scale purchase may cause significant damage to shareholders' common interests and its corporate value, the Company will take appropriate measures within the scope permitted by the Financial Instruments and Exchange Act, the Companies Act, and other related laws and regulations.

#### **(Policy regarding Strategic Shareholdings)**

#### Article 5

1. The Company does not hold shares of companies except in cases where it is deemed that holding them is necessary.
2. Holding shares shall be deemed necessary in cases where the Company investigates their profitability after understanding appropriately the return on holdings, etc., and determines that they are linked to sustainable growth and enhancing corporate value of the Company over the medium-to-long term, taking into consideration in a comprehensive manner the aims of holding them such as the development of collaborative businesses and the maintenance, strengthening or building of trading relations.
3. With regard to individual major strategic shareholdings, each year at meetings of the Board of Directors, the Company evaluates the rationality and necessity of holding strategic shareholdings from the perspective of consistency and profitability commensurate with the Company's cost of capital, and stocks for which are not deemed necessary to hold will be sold, while taking into

account market conditions and other factors.

4. After conducting a sufficient investigation, from the viewpoint of enhancing the medium-to-long term corporate value of the Company and of investee companies, the Company makes appropriate decisions on the exercising of voting rights pertaining to strategic shareholdings, while considering the objective for holding such shares.

#### **(Transactions with Directors, etc.)**

Article 6 In the event that the Company engages in a transaction with one of its Directors or major shareholder,\* the Company obtains the approval of the Board of Directors before the transaction, and reports the results to the Board of Directors.

\* "Major shareholder" refers to a shareholder with shares representing 10% or more of the voting rights in the Company.

#### **(Dialogue with Shareholders and Investors)**

Article 7

1. In order to achieve sustainable growth and enhance corporate value over the medium-to-long term, the Company responds to requests for dialogue from shareholders and investors, to a reasonable extent, in accordance with its Policy regarding Constructive Dialogue with Shareholders and Investors (see Appendix 1).
2. The Company periodically endeavors to refine its understanding of its ownership structure, to facilitate dialogue with shareholders and investors.

### **Chapter 3 Cooperation with Stakeholders Other than Shareholders**

#### **(Appropriate Cooperation with Stakeholders)**

Article 8 The Company fully recognizes that its sustainable growth and enhancement of corporate value over the medium-to-long term are the result of the provision of resources and contributions by a range of stakeholders, including shareholders, employees, local communities, customers, business partners and creditors, and it endeavors to cooperate appropriately with those stakeholders. In addition, the Board of Directors and the management exercise their leadership to establish a corporate culture and climate in which the rights and positions of those stakeholders, as well as sound business ethics are respected.

### **(Corporate Conduct Rules)**

#### Article 9

1. The Company establishes the Corporate Conduct Rules, based on the Corporate Philosophy, as basic rules for behavior, in accordance with a spirit of compliance and business ethics, which should be followed by the Company (including the management and employees).
2. The Company appropriately confirms that the Corporate Conduct Rules are being put into practice via compliance promotion initiatives and other methods.

### **(Addressing Sustainability Issues)**

#### Article 10

1. The Company will appropriately address sustainability issues, such as social and environmental problems, by pursuing compatibility between energy supply and environmental conservation in accordance with the Corporate Philosophy, the Corporate Conduct Rules, the Basic Policy on Sustainability, the J-POWER Group Environmental Basic Policy and the J-POWER Group Basic Policy on Human Rights.
2. The Board of Directors addresses sustainability issues positively and proactively, from the viewpoint of the enhancement of corporate value over the medium-to-long term.

### **(Ensuring Diversity within the Company)**

Article 11 The Company recognizes that diversity of human resources, regardless of factors such as gender, nationality, career, experience, and age, is essential to the Company's sustainable growth and enhancement of corporate value, and promotes the assurance of diversity, including the active participation of elderly persons and women.

### **(Whistle-Blowing)**

Article 12 In accordance with its Basic Policy on the Establishment of an Internal Control System as prescribed by the Board of Directors, the Company establishes a whistle-blower system and, in addition to internal consulting points, also establishes a consulting point that is independent from the management at an external law firm. Consultation at those points can be undertaken on an anonymous basis, and the Company protects persons who seek consultations by ensuring that the reported information is strictly confidential.

**(Providing Function as Corporate Pension Fund Asset Owner)**

Article 13 In accordance with the Articles of Incorporation and the provisions of the Company's basic investment principles, the Company will take the measures listed below concerning the investment of the defined-benefit corporate pension funds so that payments to beneficiaries can be reliably made in the future.

(i) Conduct regular monitoring of asset management conditions, and as necessary, review target allocation ratios that have been put into place.

(ii) The Accounting & Finance Department will be in charge of asset management, and the Company will aim to optimize the management of pension assets through the Asset Management Committee composed of relevant departments.

**Chapter 4 Ensuring Appropriate Information Disclosure and Transparency**

**(Enhancement of Information Disclosure)**

Article 14

1. The Company works to provide easily understandable and highly useful information pertaining to its finance, management strategy, management issues, risks, governance, and social and environmental issues to ensure market credibility and investor protection.
2. The Company endeavors to disclose information that provides high added value for investors, and also takes steps to provide information disclosure in English, to a reasonable extent.

**(Independent Auditors)**

Article 15

1. In order to secure proper auditing by Independent Auditors, the Company will provide an appropriate auditing environment by ensuring sufficient time for Independent Auditors to undertake high-quality audits, communication with the management executives including the President, and liaison with the Audit & Supervisory Committee and the Internal Audit Department, etc.
2. In the case where the Independent Auditors discover any fraud or defects and request appropriate action or point out any defects or concerns, the Audit & Supervisory Committee will deliberate on the case and carry out necessary investigations, and take measures such as providing advice and recommendations to the Board of Directors. In response, the Board of Directors will

take appropriate actions.

3. The Audit & Supervisory Committee will formulate the evaluation standards and appointment criteria for Independent Auditors, and verify their independence and expertise.

## **Chapter 5 Obligations of the Board of Directors, etc.**

### **(Institutional Design)**

#### Article 16

1. The Company adopts the organizational structure of the Company with an Audit & Supervisory Committee under the Companies Act. The Company also introduces the executive officer system, to promote the appropriate division of roles between management and executives.
2. The company establishes a Nomination and Remuneration Committee under the Board of Directors, to enhance independence, objectivity and accountability of the Board's functions in nominating directors and senior management and their remuneration.

### **(Fiduciary Responsibilities of Directors, etc.)**

Article 17 With an awareness of their fiduciary responsibilities to the shareholders, the Company's Directors and management will secure appropriate cooperation with stakeholders and act in the interest of the Company and the common interests of its shareholders.

### **(Roles and Obligations of the Board of Directors)**

#### Article 18

1. Based on its fiduciary responsibilities and accountability to the shareholders, the Board of Directors appropriately undertakes its roles and obligations, including (i) setting the broad direction of management plans, etc. (ii) establishing an environment that supports risk-taking by the management, and (iii) carrying out effective supervision of the management from an independent and objective standpoint, in order to promote sustainable growth and enhancement of corporate value over the medium-to-long term and to improve profitability and capital efficiency.
2. When establishing and publishing management plans and management strategies, after accurately understanding the Company's cost of capital, the Board of Directors and the management articulate basic policies regarding revenue plans and capital policies, and endeavor to clearly and carefully explain initiatives for their realization. In addition, recognizing that a

management plan is one of their commitments to the shareholders, the Board of Directors and the management understand and analyze the progress of the plan, provide explanations to shareholders, and integrate the results into the following plans.

3. The Board of Directors carries out free, open and constructive discussions and exchanges of views.
4. The Company aims for active deliberations by the Board of Directors by distributing materials for meetings of the Board of Directors and providing additional information, as necessary, so that the Directors can secure the time necessary for prior examination of the materials. Furthermore, the Company determines the yearly schedule and proposals to be discussed for the Board meetings reasonably well in advance, and appropriately arranges the frequency, agenda items and meeting times for the Board meetings to ensure sufficient time required for deliberations.

### **(Delegation to the Directors and Transfer of Authority to the Management)**

#### Article 19

1. The Board of Directors shall make decisions on basic management policies such as management plans and other important items regarding management, as well as decisions on important matters regarding business execution that shall be made by the Board of Directors as prescribed by laws, regulations (excluding those set forth in Article 22 of the Articles of Incorporation) and the Articles of Incorporation, and the criteria for such decisions shall be specified in the Board of Directors Regulations and other internal regulations.
2. Authority in other matters is delegated to the Representative Directors, Executive Directors, Executive Officers and others.

### **(Composition of the Board of Directors)**

#### Article 20

1. The Board of Directors is composed of Directors with abundant experience, distinguished knowledge and advanced specialization, ensuring that a balance and diversity of knowledge, experience and abilities is maintained as a whole. The Company shall have up to 12 Directors (excluding those who are Audit & Supervisory Committee Members) and up to 4 Directors who are Audit & Supervisory Committee Members (hereinafter referred to as the "Audit & Supervisory Committee Members"); the total number of Inside and Outside Directors shall be up to 16.
2. In order to ensure the effectiveness of independent and objective management supervision by the Board of Directors, the Company will endeavor to ensure that Independent Outside Directors appointed satisfying the criteria for judging independence constitute a third or more among Directors in consideration of their experience, knowledge, specialization and other attributes,

thereby receiving advice based on their expertise and broader range of perspectives, through the deliberation of various kinds of proposals at the meetings of the Board of Directors.

3. The Company discloses the information on the status of concurrent holding of positions as officers of other companies by Directors and candidates, therefor in the convocation notice of the general meeting of shareholders and business reports in accordance with laws and regulations.
4. The Company will develop systems so that Independent Outside Directors (excluding those who are Audit & Supervisory Committee Members) can communicate and coordinate with the management, liaise with the Audit & Supervisory Committee, and exchange information and share understanding with the Independent Outside Audit & Supervisory Committee Members as necessary.

#### **(Criteria to Determine the Independence of Outside Officers and their Quality)**

##### Article 21

1. The Board of Directors establishes Criteria to Determine the Independence of Outside Officers in accordance with the independence standards of independent officers formulated by the Tokyo Stock Exchange (see Appendix 2).
2. The Board of Directors selects candidates as Independent Outside Directors who can be expected to contribute to constructive discussions at the meetings of the Board of Directors, from the viewpoint of the Company's sustainable growth and enhancement of corporate value over the medium-to-long term.

#### **(Appointment and Dismissal of Directors, etc.)**

##### Article 22

1. When appointing members of the management executives and nominating candidates for Director, the Board of Directors appoints or nominates persons with abundant experience, distinguished knowledge and advanced specialization who are deemed appropriate for selection as a management executive or Director after deliberations undertaken based on the recommendations of the President. After deliberation by the Nomination and Remuneration Committee, the president nominates management executives and director candidates.
2. Brief personal histories and reasons for the appointment of each candidate nominated for Director will be stated and disclosed in the convocation notice of the general meeting of shareholders.
3. The Board of Directors appropriately evaluates the corporate performances, and based on its

evaluation, appropriately carries out appointment of management executives in accordance with fair and highly transparent procedures.

4. In the event that there have been illegal or unjust acts by management executives or Directors, and otherwise if circumstances arise in which it is deemed that there are serious impediments to the continuation of the performance of his/her duties, the Board of Directors will decide whether to dismiss or otherwise punish such management executives or Directors after deliberation by the Nomination and Remuneration Committee.

#### **(Remuneration of Management)**

Article 23 The amounts of remuneration of the individual management executives and Directors (excluding those who are Audit & Supervisory Committee Members) will be determined in accordance with the policy for determining the remuneration of the Directors (excluding those who are Audit & Supervisory Committee Members) and Executive Officers as well as Specially Appointed Officers for Audit, etc. (see Appendix 3) as prescribed by the Board of Directors after deliberation by the Nomination and Remuneration Committee.

#### **(Succession Planning)**

Article 24 The Company systematically fosters persons as management executive successors who contribute to the sustainable growth and enhancement of corporate value of the Company over the medium-to-long term, and the Board of Directors confirms this succession through the selection of the management executives.

#### **(Internal Control and Risk Management System)**

Article 25 In part through preparation of its Basic Policy on the Establishment of an Internal Control System, the Board of Directors develops a system for compliance, ensuring proper financial reporting, risk management, etc., and supervises the state of its operation.

#### **(Evaluation of Effectiveness of the Board of Directors)**

Article 26 The Company analyzes and evaluates the effectiveness of the Board of Directors in general, and discloses a summary of the results each year.

### **(Roles and Obligations of Audit & Supervisory Committee)**

#### Article 27

1. In exercising its roles and responsibilities, the Audit & Supervisory Committee will make appropriate judgments from an independent and objective standpoint, positively and proactively exercise its authority, and appropriately express its views at meetings of the Board of Directors or to the management, based on their fiduciary responsibilities to the shareholders.
2. The Audit & Supervisory Committee shall be composed of a maximum of four Audit & Supervisory Committee Members, a majority of whom shall be Outside Audit & Supervisory Committee Members. Also, the Audit & Supervisory Committee shall appoint full-time Audit & Supervisory Committee Members. The effectiveness of audits will be enhanced by a combination of the robust independence of the Audit & Supervisory Committee arising from its composition, and the advanced information collection capabilities of the full-time Audit & Supervisory Committee Members. In addition, at least one person with adequate knowledge of finance and accounting is appointed as an Audit & Supervisory Committee Member.
3. The Audit & Supervisory Committee endeavors to enhance coordination, including the exchange of information with the Independent Outside Directors (excluding those who are Audit & Supervisory Committee Members) as needed.

### **(Information Collection and Support Structures)**

#### Article 28

1. The Directors proactively collect information to carry out their roles and obligations.
2. The Company provides necessary information and other support to the Board of Directors and the Audit & Supervisory Committee through the establishment of respective secretariats and the allocation of appropriate personnel to those secretariats. It also ensures coordination between the Internal Audit Department and the Directors (excluding those who are Audit & Supervisory Committee Members) and Audit & Supervisory Committee.
3. The Directors obtain advice from external specialists such as attorneys at law and certified public accountants, as needed.

### **(Director Trainings)**

#### Article 29

1. In order to help Outside Directors to deepen their understanding of the corporate philosophy, medium-term management plans, business, finances, organization, etc., of the J-POWER Group, the Company will provide relevant information to them, as necessary. Opportunities are also provided to inspect the Company's facilities, in order to deepen their understanding of the Company's business.
2. The Company will provide its Directors, including Outside Directors, with opportunities and financial assistance to acquire the business, financial, organizational and other knowledge they need to appropriately exercise their roles and responsibilities.

### **Policy regarding Constructive Dialogue with Shareholders and Investors**

The Company conducts dialogue to build good relationships with shareholders and investors in accordance with the following policies, in order to realize sustainable growth and enhancement of corporate value over the medium-to-long term, to a reasonable extent:

1. Dialogue with shareholders and investors is managed by the Department in charge of shareholder and investor relations (hereinafter "SR/IR") and is supervised by the Executive Officer in charge of SR/IR.
2. The Department in charge of SR/IR regularly exchanges information with the Public Relation Department, the Accounting & Finance Department, and other Departments, and builds organic coordination systems to appropriately conduct dialogue with shareholders and investors.
3. The Company undertakes various measures, including providing J-POWER Report for shareholders and conducting shareholder tours of the Company's facilities, to contribute to enhancing shareholder and investor understanding of the Company's business.
4. Shareholder and investor opinions expressed in the dialogue are appropriately reported to the management.
5. Insider information is managed appropriately at the time of dialogue with shareholders and investors.

### Criteria to Determine the Independence of Outside Officers

If an Outside Officer does not fall under any of the following paragraphs, he/she will be determined to be independent by the Company :

1. Any person who executed the business of the Company or the Company's subsidiary in the past.
2. Any person whose major business partner (\*1) is the Company or the Company's subsidiary, or any person executing the business of such first mentioned person.
3. Any major business partner (\*1) of the Company or the Company's subsidiary, or any person executing the business of such partner.
4. Any consultant, accounting professional, or legal professional who has received a large amount of money (\*2) and/or any other property other than officers' remuneration from the Company or the Company's subsidiary. (If the person who has received such property is a corporation, partnership, or any other organization, such person refers to a person who belongs to such organization.)
5. Any person who used to fall under any of paragraphs 2 to 4 above during the past ten years.
6. Any close relative of any of the persons listed in (1) to (4) below (excluding immaterial persons):
  - (1) Any person listed in paragraphs 2 to 5 above;
  - (2) Any person who executes the business of the Company or the Company's subsidiary, or any Director who does not execute the business of the Company or the Company's subsidiary;
  - (3) Any auditor of the Company's subsidiary; or
  - (4) Any person who used to be the Company's Auditor, or to fall under item (2) or (3) above during the past ten years.

\*1 "Major business partner" refers to a business partner whose annual amount of transactions with the Company or the Company's subsidiary during the past 3 fiscal years accounted for over 2% of the total consolidated sales of the Company or that of the counterparty.

\*2 "Large amount of money" refers to money received during the past 3 fiscal years with an annual average amount of ten million yen or more .

**Policy for Determining the Remuneration of the Directors (Excluding Those Who Are Audit & Supervisory Committee Members) and Executive Officers as well as Specially Appointed Officers for Audit, etc.**

○ Basic policy

The basic policy shall be intended to create incentives for sustainable improvement of long-term performance and increase in corporate value by enhancing the linkage of remuneration with performance and corporate value.

1. Directors (excluding those who are Audit & Supervisory Committee Members) and Executive Officers

(1) Remuneration composition

The remuneration shall be composed of monthly salary in money and performance-linked remuneration (incentives for the achievement of management goals), and stock-based compensation (incentives for the Company's long-term growth that take account the characteristics of the details and development of the Company's business).

With respect to the Outside Directors (excluding Directors who are Audit & Supervisory Committee Members), only shall monthly remuneration apply, from the perspective of securing their independence from business execution.

(2) Payment details and time for each remuneration

(i) Monthly remuneration: The fixed amount calculated based on positions shall be paid in money every month.

(ii) Performance-linked remuneration: Introduced as an incentive to achieve management goals. It shall be calculated as follows, and will be paid on a lump sum basis promptly after the conclusion of the Ordinary General Meeting of Shareholders each year. In addition, the performance-linked remuneration for Executive Officers who serve as President and Executive Officer of major Group companies shall be calculated based on the performance evaluation of the relevant Group companies.

i. First indicator

Indicator factor: Level of achievement of consolidated ordinary income (Consolidated ordinary income actual results<sup>\*1</sup>/forecasted consolidated ordinary income at the beginning of the period)  
Fluctuation range: 0% minimum to 200% maximum

<sup>\*1</sup> If it is determined that the results calculated based solely on the above-mentioned indicator do not reflect one or more material events, the Nomination and Compensation Committee may, after deliberating on the details of such event or events and the need to take them into account, increase or decrease the amounts within the fluctuation range set out above.

ii. Second indicator

Indicator factor: KPIs for the material issues (excluding the strengthening of our profit and financial bases) comprehension evaluation  
Fluctuation range: 0% minimum to 120% maximum

iii. Calculation of amount

Payment percentage: Factor of first indicator x 90% + factor of second indicator x 10%

Payment amount: Standard remuneration by position x payment percentage

iv. Exceptional measures

Only to the extent that there are grounds such as where any of the Directors (excluding those who are Audit & Supervisory Committee Members) or Executive Officers (excluding those who are President and Chief Executive Officers of Major Group Companies) makes a particularly outstanding contribution to or significantly undermines the company's business results, a special measure shall be taken to increase or decrease such amount within the variation range of performance-linked remuneration, after the details of such grounds and the necessity of taking them into consideration are reviewed by the Nomination and Remuneration Committee.

(iii) Stock-based remuneration: The Company's stocks shall be acquired through trust using money contributed by the Company, and the Company shall provide its stocks corresponding to the number of the points granted during the service and the amount of money gained by converting its stocks at the market price, basically, at the time of retirement. The subject fiscal years shall be three years and may be extended up to three years by resolution of a meeting of the Board of Directors; the same shall apply thereafter.

(3) Ratio of remuneration

As a general guide, the remuneration shall be composed of the annual total of monthly remuneration (70 percent), the performance-linked remuneration (20 percent) and the stock-based remuneration (10 percent).

2. Specially Appointed Officers for Audit, etc.

(1) Remuneration composition

Only shall monthly remuneration apply, from the perspective of securing their independence from business execution.

(2) Payment time

The fixed amount calculated based on positions shall be paid in money every month.

3. Method for Determining the Remuneration of Each Person

Regarding the remuneration of the respective Directors (excluding those who are Audit & Supervisory Committee Members), Executive Officers, and Specially Appointed Officers for Audit, etc., the Nomination and Remuneration Committee shall review and approve the specific amount of such remuneration for each fiscal year in accordance with the provisions of paragraphs 1 and 2 above, and the Board of Directors shall consider the details thereof and leave the determination of remuneration of each such person to the discretion of the Representative Director and President, who shall then determine the same.

[Reference: The resolution on the remuneration, etc., of Directors adopted at the 70th ordinary general meeting of shareholders held on June 28, 2022]

Approved in the resolution are that the remuneration in money (i.e., the total amount of monthly remuneration and the amount of performance-linked remuneration) for Directors (excluding those who are Audit & Supervisory Committee Members) shall be limited to a maximum of 570,000,000 yen per annum (including 60,000,000 yen for Outside Directors), and that, for the stock-based remuneration for Directors excluding Outside Directors (excluding those who are Audit & Supervisory Committee Members), the amount placed by the Company into trust shall be limited to a maximum of 165,000,000 yen for the period of three fiscal years, and the total of the points to be granted for the period of one year shall be limited to a maximum of 40,600 points.