

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 3941

June 3, 2020

To our shareholders:

Kiyoshi Otsubo
Representative Director,
Chairman, and Chief Executive Officer
Rengo Co., Ltd.
4-1-186 Ohiraki, Fukushima-ku, Osaka
(Head Office: 2-2-7 Nakanoshima, Kita-ku, Osaka)

NOTICE OF THE 152ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to express our sincere condolences to all those who have passed away due to the novel coronavirus (COVID-19) pandemic and their bereaved families, and we extend our deepest sympathies to all others affected. We will hold the 152nd Ordinary General Meeting of Shareholders of Rengo Co., Ltd. (the “Company”) as described below.

In light of current conditions, we ask that shareholders consider not attending the meeting in order to help prevent the spread of the coronavirus.

You may exercise your voting rights either by postal mail or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders and, in accordance with the explanation given below, exercise your voting rights by no later than 5:00 p.m., Thursday, June 25, 2020 (Japan Standard Time).

1. Date and Time: Friday, June 26, 2020 at 10:00 a.m. (Japan Standard Time) (reception opens at 9:00 a.m.)

2. Venue: RIHGA Royal Hotel Osaka 2F “Sanraku”
5-3-68 Nakanoshima, Kita-ku, Osaka

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 152nd Term (from April 1, 2019 to March 31, 2020), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 152nd Term (from April 1, 2019 to March 31, 2020)

Items to be resolved:

- Proposal 1:** Election of Eleven (11) Directors
Proposal 2: Election of Two (2) Audit & Supervisory Board Members
Proposal 3: Revision of Amount of Remuneration, etc. for Directors
Proposal 4: Introduction of a Stock-based Compensation Plan for Directors

4. Exercising Voting Rights:

- (1) Vote by postal mail
Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than 5:00 p.m., Thursday, June 25, 2020 (Japan Standard Time).
- (2) Vote online
Access the voting site designated by the Company (<https://www.web54.net>) and input your approval or disapproval of the proposals in accordance with the on-screen instructions no later than 5:00 p.m., Thursday, June 25, 2020 (Japan Standard Time).
- (3) If voting rights are exercised in duplicate through the sending of a voting form by postal mail and voting over the Internet, etc., the vote cast over the Internet, etc. shall be effective. Furthermore, if voting rights are exercised multiple times over the Internet, etc., the final voting right exercised shall be effective.

- For those attending, please present the enclosed voting form at the reception desk on arrival at the meeting.
- If circumstances are generated whereby revisions should be made to the content of the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-Consolidated Financial Statements by the

day before the General Meeting of Shareholders, such notification shall be published on the Company's website (<https://www.rengo.co.jp/>).

<Notice of measures to prevent spread of COVID-19>

In light of current conditions, we ask that shareholders consider not attending the meeting in order to help prevent the spread of the coronavirus. Therefore, please exercise your voting rights in advance by mail or via the Internet, etc.

We will notify you of any changes to the running of the General Meeting of Shareholders via the Internet on our website (<https://www.rengo.co.jp/>).

We will not be handing out souvenirs to shareholders who attend this year's meeting. We thank you for your understanding.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Eleven (11) Directors

As the term will expire for all 17 Directors at the conclusion of this meeting, the Company proposes that 11 Directors be elected.

This proposal has been decided by the Board of Directors after deliberation by the Nomination Committee, which is a voluntary advisory body to the Board of Directors.

The candidates for Directors are as follows:

No.		Name		Position in the Company
1	[Reelection]	Kiyoshi Otsubo		Representative Director, Chairman, and Chief Executive Officer
2	[Reelection]	Yosuke Kawamoto		Representative Director, President and Chief Operating Officer
3	[Reelection]	Moriaki Maeda		Representative Director, Executive Vice President
4	[Reelection]	Shigechika Ishida		Representative Director, Executive Vice President
5	[Reelection]	Ichiro Hasegawa		Representative Director, Executive Vice President
6	[Reelection]	Yasuhiro Baba		Member of the Board, Senior Managing Executive Officer
7	[Reelection]	Hiromi Sambe		Member of the Board, Senior Managing Executive Officer
8	[Reelection]	Sadatoshi Inoue		Member of the Board, Senior Managing Executive Officer
9	[Reelection]	Yoshio Sato	Outside Independent	Outside Director
10	[Reelection]	Masayuki Oku	Outside Independent	Outside Director
11	[New election]	Shinya Sakai	Outside Independent	

Outside: Candidates for Outside Director

Independent: Independent Directors under the provisions of the Tokyo Stock Exchange, Inc.

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions)	Number of the Company's shares owned	
1	[Reelection] Kiyoshi Otsubo (March 15, 1939)	Apr. 1962	Joined Sumitomo Corporation	155,700
		June 1992	Member of the Board of Sumitomo Corporation	
		June 1996	Managing Director of Sumitomo Corporation	
		Apr. 2000	Executive Vice President of Sumitomo Corporation	
		June 2000	Representative Director, President and Chief Executive Officer of the Company	
		Apr. 2014	Representative Director, Chairman, President and Chief Executive Officer of the Company	
		Apr. 2020	Representative Director, Chairman, and Chief Executive Officer of the Company (to present)	
	[Reasons for nomination] The Company believes that Kiyoshi Otsubo can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a management executive. Accordingly, the Company proposes his election as Director.			
2	[Reelection] Yosuke Kawamoto (May 28, 1955)	Apr. 1978	Joined the Company	74,100
		Apr. 2007	Executive Officer of the Company	
		June 2011	Member of the Board, Executive Officer of the Company	
		Apr. 2014	Member of the Board, Managing Executive Officer of the Company	
		Apr. 2019	Member of the Board, Senior Managing Executive Officer of the Company	
		Apr. 2020	Representative Director, President, and Chief Operating Officer of the Company (to present)	
	[Reasons for nomination] The Company believes that Yosuke Kawamoto can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.			
3	[Reelection] Moriaki Maeda (April 12, 1950)	Apr. 1973	Joined the Company	87,700
		June 2003	Member of the Board of the Company	
		Apr. 2007	Member of the Board, Managing Executive Officer of the Company	
		Apr. 2011	Member of the Board, Senior Managing Executive Officer of the Company	
		Apr. 2013	Representative Director, Executive Vice President of the Company (to present)	
		<Responsibilities at the Company> Aide to the President, Corporate Unit		
	[Reasons for nomination] The Company believes that Moriaki Maeda can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.			

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions)	Number of the Company's shares owned
4	[Reelection] Shigechika Ishida (August 20, 1952)	Apr. 1975 Apr. 2008 June 2011 Apr. 2013 Apr. 2015 Apr. 2019 <Responsibilities at the Company> Packaging Business Unit, Overseas Business Unit	68,200
		[Reasons for nomination] The Company believes that Shigechika Ishida can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.	
5	[Reelection] Ichiro Hasegawa (March 20, 1954)	Apr. 1976 Mar. 2002 June 2002 June 2003 Apr. 2007 Apr. 2013 <Responsibilities at the Company> Paperboard Business Unit, Procurement Unit, Chairman of Rengo Paper Business Co., Ltd.	617,000
		[Reasons for nomination] The Company believes that Ichiro Hasegawa can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.	
6	[Reelection] Yasuhiro Baba (December 11, 1949)	Apr. 1974 Apr. 2007 June 2009 Apr. 2012 Apr. 2014 <Responsibilities at the Company> Corporate Planning Department, Finance & Accounting Group, Audit Department, Credit Department, Information Systems Group, Domestic Affiliated-Company Administration Unit	73,200
		[Reasons for nomination] The Company believes that Yasuhiro Baba can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.	

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions)	Number of the Company's shares owned
7	[Reelection] Hiromi Sambe (November 6, 1952)	Apr. 1975 Joined the Company Apr. 2007 Executive Officer of the Company June 2009 Member of the Board, Executive Officer of the Company Apr. 2011 Member of the Board, Managing Executive Officer of the Company Apr. 2015 Member of the Board, Senior Managing Executive Officer of the Company (to present) <Responsibilities at the Company> President Office, Compliance Promotion Office, General Affairs Department, Tokyo General Affairs Department, Legal Affairs Department, Human Resources Department, Public Relations Department	70,800
		[Reasons for nomination] The Company believes that Hiromi Sambe can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.	
8	[Reelection] Sadatoshi Inoue (August 26, 1961)	Apr. 1985 Joined the Company Apr. 2007 Executive Officer of the Company June 2012 Member of the Board, Executive Officer of the Company Apr. 2014 Member of the Board, Managing Executive Officer of the Company Apr. 2019 Member of the Board, Senior Managing Executive Officer of the Company (to present) <Responsibilities at the Company> Packaging Business Unit, President of Rengo Riverwood Packaging Ltd.	70,900
		[Reasons for nomination] The Company believes that Sadatoshi Inoue can help to implement the Group's strategies aimed at achieving stable growth and raising medium- and long-term corporate value and will be able to appropriately supervise the Group overall due to his wealth of experience over many years as a Member of the Board of the Company. Accordingly, the Company proposes his election as Director.	
9	[Reelection] Yoshio Sato (August 25, 1949) Outside Independent	Apr. 1973 Joined Sumitomo Life Insurance Company July 2000 Director of Sumitomo Life Insurance Company Apr. 2002 Managing Director of Sumitomo Life Insurance Company July 2007 President & Chief Executive Officer of Sumitomo Life Insurance Company Apr. 2014 Chairman of the Board of Sumitomo Life Insurance Company (to present) June 2018 Outside Director of the Company (to present)	0
		[Reasons for nomination] The Company proposes the election of Yoshio Sato as Director so that he will be able to provide opinions and observations that would be beneficial for Company management, based on his wide-ranging views and wealth of experience as a management executive, as an Outside Director who is independent of the managers who carry out operations.	

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions)	Number of the Company's shares owned
10	[Reelection] Masayuki Oku (December 2, 1944) Outside Independent	<p>Apr. 1968 Joined Sumitomo Bank, Limited</p> <p>June 1994 Director of Sumitomo Bank, Limited</p> <p>Nov. 1998 Managing Director of Sumitomo Bank, Limited</p> <p>Jan. 2001 Representative Director and Senior Managing Director of Sumitomo Bank, Limited</p> <p>Apr. 2001 Representative Director and Senior Managing Director of Sumitomo Mitsui Banking Corporation</p> <p>Dec. 2002 Representative Director and Senior Managing Director of Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2003 Representative Director and Deputy President of Sumitomo Mitsui Banking Corporation</p> <p>June 2005 Chairman of the Board of Sumitomo Mitsui Financial Group, Inc. Representative Director and President of Sumitomo Mitsui Banking Corporation</p> <p>Apr. 2011 Chairman of the Board of Sumitomo Mitsui Financial Group, Inc.</p> <p>Apr. 2017 Director of Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2017 Honorary Advisor to Sumitomo Mitsui Financial Group, Inc. (to present)</p> <p>June 2019 Director of the Company (to present)</p>	0
<p>[Reasons for nomination]</p> <p>The Company proposes the election of Masayuki Oku as Director so that he will be able to provide opinions and observations that would be beneficial for Company management, based on his wide-ranging views and wealth of experience as a management executive, as an Outside Director who is independent of the managers who carry out operations.</p>			
11	[New election] Shinya Sakai (February 9, 1948) Outside Independent	<p>Apr. 1970 Joined HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>June 2002 Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>June 2005 Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>June 2006 President and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Oct. 2006 Representative Director of Hankyu Hanshin Holdings, Inc.</p> <p>June 2008 Chairman and Representative Director of HANSHIN Tigers Baseball Club, Ltd.</p> <p>Apr. 2011 Chairman and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Apr. 2017 Director and Executive Adviser of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Apr. 2019 Executive Adviser of HANSHIN ELECTRIC RAILWAY CO., LTD. (to present)</p>	0
<p>[Reasons for nomination]</p> <p>The Company proposes the election of Shinya Sakai as Director so that he will be able to provide opinions and observations that would be beneficial for Company management, based on his wide-ranging views and wealth of experience as a management executive, as an Outside Director who is independent of the managers who carry out operations.</p>			

- Notes:
1. Rengo Riverwood Packaging, Ltd., for which Sadatoshi Inoue serves as President, has business relationships with the Company, including the sales of multi-pack and multi-pack line peripheral devices, etc.
 2. There are no special interests between the other candidates and the Company.
 3. Yoshio Sato, Masayuki Oku, and Shinya Sakai are candidates for Outside Directors.

4. The term of office for Yoshio Sato as an Outside Director will be two years at the conclusion of this meeting.
5. The term of office for Masayuki Oku as an Outside Director will be one year at the conclusion of this meeting.
6. To enable Yoshio Sato and Masayuki Oku to sufficiently fulfill the role expected of them as Outside Directors, limited liability agreements have been entered into between them and the Company that limit the liability provided for in Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations. If this proposal is approved per the original proposal, the Company plans to continue these limited liability agreements with them. In addition, the Company plans to continue providing notification to the Tokyo Stock Exchange for them as Independent Directors.
7. To enable Shinya Sakai to sufficiently fulfill the role expected of him as an Outside Director, a limited liability agreement will be entered into between Shinya Sakai and the Company that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations, if this proposal is approved per the original proposal. In addition, the Company plans to provide notification to the Tokyo Stock Exchange for him as an Independent Director.

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

As the term will expire for Audit & Supervisory Board Members Yoshihiro Kagawa and Kiyoshi Mukohara at the conclusion of this meeting, the company proposes that two Audit & Supervisory Board Members be elected.

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

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

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions)	Number of the Company's shares owned	
1	[New election] Tsutomu Shoji (October 20, 1962)	Apr. 1985 Apr. 2010 Apr. 2015 Apr. 2016 Apr. 2020	Joined the Company General Manager of Information Systems Department of the Company Corporate Officer of the Company (to present) General Manager of Information Systems Group of the Company Assistant to the Senior Managing Executive Officer responsible for General Affairs Department of the Company (to present)	5,100
		[Reasons for nomination] The Company believes that Tsutomu Shoji can help to audit the execution of duties by members of the board due to his execution of business over many years and his wealth of experience. Accordingly, the Company proposes his election as an Audit & Supervisory Board Member.		
2	[New election] Hitoshi Tsunekage (August 6, 1954) Outside Independent	Apr. 1977 June 2004 June 2005 Jan. 2008 Apr. 2011 Apr. 2012 Apr. 2017 June 2017	Joined The Sumitomo Trust and Banking Co., Ltd. Executive Officer of The Sumitomo Trust and Banking Co., Ltd. Director and Managing Executive Officer of The Sumitomo Trust and Banking Co., Ltd. President & CEO of The Sumitomo Trust and Banking Co., Ltd. Chairman of the Board and President of The Sumitomo Trust and Banking Co., Ltd. Representative Director and Chairman of Sumitomo Mitsui Trust Holdings, Inc. Representative Director and President of Sumitomo Mitsui Trust Bank, Limited Director of Sumitomo Mitsui Trust Bank, Limited Director and Chairman of Sumitomo Mitsui Trust Bank, Limited (to present) Director of Sumitomo Mitsui Trust Holdings, Inc. (to present)	0
		[Reasons for nomination] The Company proposes the election of Hitoshi Tsunekage as Audit & Supervisory Board Member so that he will be able to provide opinions and observations that would be beneficial for Company management, based on his wide-ranging views and wealth of experience as an Outside Audit & Supervisory Board Member.		

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Hitoshi Tsunekage is a candidate for Outside Audit & Supervisory Board Member.
 3. To enable Hitoshi Tsunekage to sufficiently fulfill the role expected of him as an Outside Audit & Supervisory Board Member, a limited liability agreement will be entered into between Hitoshi Tsunekage and the Company that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations, if this proposal is approved per the original proposal. In addition, the Company plans to provide notification to the Tokyo Stock Exchange for him as an Independent Auditor.

Proposal 3: Revision of Amount of Remuneration, etc. for Directors

Remuneration for Directors of the Company at present is 950 million yen or less per year (of that up to 40 million yen or less per year for Outside Directors) as approved at the 149th Ordinary General Meeting of Shareholders held on June 29, 2017. The current number of Directors is 17 (including two Outside Directors), and if Proposal 1 is approved per the original proposal, the number of Directors will decrease to 11, including three Outside directors.

The Company asks for approval to amend the remuneration, etc. for Directors to 800 million yen or less per year (of that up to 60 million yen or less per year for Outside Directors).

However, as previously, this remuneration, etc. for Directors does not include the portion of employee salaries of directors who concurrently serve as employees. In addition, the stock-based compensation under the stock-based compensation plan for Directors discussed in Proposal 4, will be paid separately from the remuneration, etc. for Directors in this Proposal.

This proposal has been decided by the Board of Directors after deliberation by the Remuneration Committee, which is a voluntary advisory body to the Board of Directors.

Proposal 4: Introduction of Stock-based Compensation Plan for Directors

1. Reason for introducing the stock-based compensation plan

Remuneration for Directors of the Company comprises a fixed salary and bonus. The Company proposes to introduce a new Stock-based Compensation Plan (“the Plan”) for the Company’s Directors (excluding Outside Directors; the same applies hereinafter) for your approval. The Company also asks that the details of the Plan be left to the discretion of its Board of Directors within the framework of 2. below.

This proposal has been adopted by the Board of Directors of the Company following the deliberation by the Remuneration Committee, a voluntary advisory body of the board.

The Plan aims at clarifying the linkage between the Directors’ remuneration and the value of the Company’s stock and having Directors share the profits and risks of stock price fluctuations with shareholders, thereby raising the awareness of Directors to contribute to enhancing the Company’s business performance on a mid-to-long-term basis and increasing corporate value, and the Company believes that this Compensation Plan is appropriate.

The Company proposes that the Plan provides a new share-based payment, separately from the amount of remuneration, etc. for Directors proposed in Proposal 3, to Directors in office within a period of three (3) business years from the business year completing on March 31, 2021 to the business year completing on March 31, 2023 (hereinafter referred to as the “Applicable Period”).

If Proposal 1 is approved as proposed, the number of Directors eligible for this Plan will be eight (8).

2. Amount of compensation and details of the Plan

(1) Outline of the Plan

Under this Stock-based Compensation Plan, the trust established with the money contributed by the Company (hereinafter referred to as “the Trust”) acquires shares of the Company, and the number of shares of the Company equivalent to the number of points the Company grants to each director is issued to each of the Directors through the Trust.

As a general rule, the Directors receive the shares of the Company at the time of their retirement from office.

(i)	Eligible persons under the Plan	Directors of the Company (excluding Outside Directors)
(ii)	Applicable Period	From the business year ending on March 31, 2021 to the business year ending on March 31, 2023
(iii)	Maximum amount of contribution by the Company as funds necessary to purchase shares of the Company for issuance to eligible persons in (i) during the Applicable Period in (ii)	Total of 810,000,000 yen
(iv)	Method of purchase of the Company’s shares	Disposal of treasury shares or acquisition of shares on a stock exchange (including off-floor trading)
(v)	Maximum total amount of points granted to eligible persons in (i)	180,000 points per business year
(vi)	Standards for granting points	Points according to the position, etc. are granted
(vii)	Period in which shares of the Company are issued to eligible persons in (i)	As a general rule, at the time of retirement from office

(2) Maximum amount of money contributed by the Company

The initial trust period of the Trust shall be approximately three (3) years, and the Company shall contribute money as compensation for Directors in office during the Applicable Period up to a total of 810,000,000 yen

as funds to acquire shares of the Company necessary for issuance to Directors under the Plan during the Applicable Period, and establish the Trust whose beneficiaries are the Directors who fulfill certain requirements. The Trust shall use the money contributed by the Company to acquire the shares of the Company by means of disposing of the Company's treasury shares or purchasing shares on a stock exchange (including off-floor trading).

Note: The money the Company actually places in the Trust is the amount which includes the expected necessary costs, such as trust fees and custodian fees, in addition to the aforesaid funds for acquiring shares of the Company.

It should be noted that the Company may, based on the decision of its Board of Directors, set the Applicable Period to be a period within three (3) business years each time and extend it, extend the trust period of the Trust (including substantially extending the trust period by transferring the trust assets of the Trust to a trust with the same purpose as that of the Trust established by the Company; the same applies hereinafter), and maintain the Plan. In such case, the Company shall, during the Applicable Period of the said extension, additionally contribute to the Trust money in the amount of up to the value derived by multiplying the number of business years of the Applicable Period for the extended portion by 270,000,000 yen as funds to additionally acquire the shares of the Company necessary for issuance to Directors under the Plan, continue to grant points described in (3) below and the issuance of shares of the Company.

Furthermore, even in cases where the Plan is not continued by not extending the Applicable Period as described above, at the time of expiration of the trust period, if there are directors who have been granted points but not yet retired from office, the Company may extend the trust period of the Trust until such directors retire from office and the issuance of shares of the Company is completed.

(3) Method of calculating the number of shares of the Company to be issued to Directors and the maximum thereof
(i) Method, etc. of granting points to Directors

The Company shall, based on the share issuance rules set forth by its Board of Directors, grant points to each Director according to their position, etc. on the points grant date in the trust period stipulated in the share issuance rules; provided, however, that the total number of points granted to Directors of the Company shall be no more than 180,000 points per business year.

(ii) Issuance of shares of the Company according to the number of points granted

Directors shall receive issuance of shares of the Company according to the number of points granted described in (i) above based on the procedure provided in (iii) below.

Note that one (1) point equates to one (1) share of the Company. However, if, with respect to the shares of the Company, a situation arises where it is deemed reasonable to make adjustments to the number of shares of the Company to be issued, such as executing a share split or share consolidation, the Company shall make reasonable adjustments according to the respective split ratio, consolidation ratio, and such like.

(iii) Issuance of shares of the Company to Directors

The issuance of shares of the Company to each Director described in (ii) above is executed from the Trust at the time of the Director's retirement from office based on the prescribed beneficiary determination procedure.

It should be noted, however, that with respect to a certain percentage of shares of the Company, the Company may issue money in lieu of shares of the Company by converting it to cash so that it can be used for tax payment funds such as withholding income tax. In addition, in cases where the shares of the Company in the Trust are converted to cash following a subscription to a tender offer or such like, the

Company may issue money in lieu of shares of the Company.

(4) Exercise of voting rights

The Company shall not uniformly exercise voting rights associated with the shares of the Company in the Trust in accordance with the instruction from the custodian independent of the Company and its executives. This approach is intended to ensure the neutrality to the management of the Company with respect to the exercise of voting rights associated with the shares of the Company in the Trust.

(5) Handling of dividends

Dividends pertaining to the shares of the Company in the Trust shall be received by the Trust and appropriated to the funds for purchasing shares of the Company, trust fees to the trustee of the Trust, and such like.