

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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities code 8173)
June 3, 2022

To Shareholders with Voting Rights:

Ryuhei Kanatani
President and Director
Joshin Denki Co., Ltd.
6-5, Nipponbashi-nishi 1-chome,
Naniwa-ku, Osaka City, Japan

**NOTICE OF
THE 74TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We extend our deepest sympathies to all those affected by COVID-19. We would also like to express our cordial gratitude to medical staff and all those who are working daily to prevent infection.

We are pleased to inform you that the 74th Annual General Meeting of Shareholders (the “Meeting”) of Joshin Denki Co., Ltd. (the “Company,” together with its subsidiaries, the “Group”) will be held for the purposes as described below.

To prevent the spread of COVID-19, we would like to ask all shareholders to exercise their voting rights in advance either in writing or via the Internet, etc. where possible. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. Japan time on Thursday, June 23, 2022.

1. Date and time: Friday, June 24, 2022 at 10:00 a.m. Japan time

2. Venue: Banquet room Snowberry, 21F of the Hotel Monterey Grasmere Osaka at 2-3, Minatomachi 1-chome, Naniwa-ku, Osaka City, Japan

3. Meeting agenda:

- Matters to be reported:**
1. Business report, consolidated financial statements and non-consolidated financial statements for the 74th fiscal year (April 1, 2021 - March 31, 2022)
 2. The results of audits of the consolidated financial statements for the 74th fiscal year by the accounting auditor and the Board of Auditors

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Nine Directors
Proposal 4: Election of One Substitute Auditor
Proposal 5: Renewal of Response Policy to Large-Scale Acquisition of the Company’s Shares (Takeover Defense Measures)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Distribution of Surplus

The Company's basic policy is to distribute continued and stable dividends taking into consideration business results and the balance between dividends and internal reserves.

Upon comprehensively taking into account factors such as the business results for the fiscal year under review, future business development, and the business environment, the Company proposes to pay the following year-end dividends for the fiscal year under review:

Items Related to the Year-end Dividend

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and its total amount

75 yen per share of common stock at a total of 2,011,620,150 yen

(3) Effective date the dividend of surplus:

June 27, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The effective date of the system for electronic provision of materials for general meetings of shareholders stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Company proposes to establish stipulations that information that is the content of reference documents for the general meeting of shareholders, etc., shall be provided electronically, and that the Company may limit on the scope of matters to be recorded in physical documents that are provided to shareholders who request provision of physical documents.

In addition, as current stipulations concerning Internet disclosure and deemed provision of reference documents for general meetings of shareholders will no longer be necessary, these shall be deleted. Also, supplementary provisions shall be established concerning the effective date, etc., in line with the new establishments and deletions above.

2. Contents of the amendments

The contents of the amendments are as follows.

(Underlines indicate amended sections)

Current Articles of Incorporation	Proposed amendments
<p>Article 1 to 15 (omitted)</p> <p><u>(Internet disclosure and deemed provision of reference documents for general meetings of shareholders)</u></p> <p><u>Article 16 In the convocation of general meetings of shareholders, the Company may deem that it has provided to shareholders information concerning matters that must be displayed in the reference documents for general meetings of shareholders, business report, non-consolidated financial statements, and consolidated financial statements via Internet disclosure in conformity with definitions provided in the Ordinance of the Ministry of Justice.</u></p> <p><Newly established></p>	<p>Article 1 to 15 (unchanged)</p> <p><Deleted></p> <p>(Measures for electronic provision, etc.)</p> <p><u>Article 16 In the convocation of general meetings of shareholders, the Company shall provide electronically information that is the content of reference documents for the general meeting of shareholders, etc.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Article 17 to 42 (omitted)</p> <p><Newly established></p>	<p><u>2. Of the matters to which electronic provision measures apply, the Company may choose not to record all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for provision of physical documents by the record date for voting rights.</u></p> <p>Article 17 to 42 (unchanged)</p> <p><u>(Supplementary provisions)</u></p> <p><u>1. The deletion of Article 16 (Internet disclosure and deemed provision of reference documents for general meetings of shareholders) of the current Articles of Incorporation and Article 16 (Measures for electronic provision, etc.) of the proposed amendments shall take effect on September 1, 2022.</u></p> <p><u>2. Notwithstanding the provisions of the previous paragraph, Article 16 (Internet disclosure and deemed provision of reference documents for general meetings of shareholders) of the current Articles of Incorporation shall remain valid for general meetings of shareholders held on the end of February 2023.</u></p> <p><u>3. These supplementary provisions shall be deleted on March 1, 2023 or the day after which three months have elapsed since the day of the general meeting of shareholders in the previous paragraph, whichever is later.</u></p>


Proposal 3: Election of Nine Directors


The terms of office of all nine Directors will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of nine Directors.


The candidates for Director are as follows:


No.	Name	Current positions and responsibilities at the Company
1	Ryuhei Kanatani [Reappointment]	Representative Director, President and Executive Officer
2	Tetsuya Takahashi [Reappointment]	Director and Senior Managing Executive Officer, in charge of Sales Strategy
3	Koichi Yokoyama [Reappointment]	Director and Managing Executive Officer, in charge of Infrastructure Strategy
4	Koji Tanaka [Reappointment]	Director and Managing Executive Officer in charge of Management Planning & Human Resources Strategy
5	Suguru Oshiro [Reappointment]	Director and Executive Officer in charge of Financial Strategy
6	Kinya Naito [Reappointment] [Outside] [Independent]	Outside Director
7	Keiko Yamahira [Reappointment] [Outside] [Independent]	Outside Director
8	Junko Kawano [Reappointment] [Outside] [Independent]	Outside Director
9	Seiji Nishikawa [New appointment] [Outside] [Independent]	—


Note: [New appointment] indicates a new candidate for Director, [Outside] indicates a candidate for Outside Director, and [Independent] indicates a candidate for independent director.


No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
1	 <p>Ryuhei Kanatani (January 30, 1956)</p> <p>[Reappointment]</p>	<p>March 1979 Joined the Company</p> <p>July 1993 Manager of General Affairs Department</p> <p>June 1998 Director, Manager of General Affairs Department</p> <p>April 2001 Director, Manager of General Planning Department</p> <p>October 2001 Director, Manager of President's Office</p> <p>March 2002 Director, General Manager of Sales Planning Division</p> <p>June 2002 Managing Director, General Manager of Sales Division</p> <p>June 2004 Managing Director, General Manager of Management Planning Division and Manager of General Affairs Department</p> <p>April 2006 Managing Director, General Manager of Management Planning Division</p> <p>October 2006 Senior Managing Director, General Manager of Management Planning Division</p> <p>July 2008 Representative Director, Senior Managing Director, General Manager of Management Planning Division</p> <p>June 2011 Representative Director, Vice President, General Manager of Management Planning Division</p> <p>April 2016 Representative Director, Vice President, General Manager of Business Administration Headquarters</p> <p>June 2016 Representative Director, Vice President and Executive Officer, General Manager of Business Administration Headquarters and Manager of Management Planning Department</p> <p>June 2018 Representative Director, Vice President and Executive Officer, General Manager of Business Administration Headquarters</p> <p>June 2019 Representative Director, President and Executive Officer (to present)</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held [of which, number of shares to be issued under stock compensation plan]	47,620 [13,520]
	<p>[Reason for nomination as candidate for Director]</p> <p>Ryuhei Kanatani assumed the office of Director of the Company in June 1998, Representative Director and Vice President in June 2011, and Representative Director and Vice President and Executive Officer in June 2016. He worked as General Manager of Business Administration Headquarters, Compliance Supervisory Manager, etc., and made significant contributions to improving business performance from a position supervising overall group management. In addition, he has been playing a major role in the management of the Company as Representative Director and President and Executive Officer since June 2019 and appropriately supervising the management of the Group from the perspective of becoming a long-term going concern in line with its management philosophy. The Company believes that by leveraging his abundant management experience and deep insight, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Director.</p>	


No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
2	 <p>Tetsuya Takahashi (November 24, 1962)</p> <p>[Reappointment]</p>	<p>March 1986 Joined the Company</p> <p>October 2001 Manager of Hyogo & Hokusetsu Area, Kansai Sales Department</p> <p>June 2013 Manager of Tokyo & Tokai Sales Department</p> <p>June 2016 Executive Officer, Assistant General Manager in charge of Store Sales of Sales Division and Assistant General Manager of Local Sales Support Division and Manager of Kansai Sales Department, responsible for Tokai Sales Department, Tokyo Sales Department, Entertainment Marketing Department, Smart Life Promotion Department, and Sales Administration Department</p> <p>October 2016 Executive Officer, General Manager of Sales Division and Manager of Kansai Sales Department</p> <p>April 2017 Executive Officer, General Manager of Sales Division</p> <p>June 2017 Director and Executive Officer, General Manager of Sales Division</p> <p>June 2019 Director and Managing Executive Officer, General Manager of Sales Division</p> <p>March 2020 Director and Managing Executive Officer, General Manager of Sales Division and Manager of Internet Sales Department</p> <p>April 2021 Director and Senior Managing Executive Officer, in charge of Sales Strategy</p> <p>June 2021 Representative Director and Senior Managing Executive Officer, in charge of Sales Strategy (to present)</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held [of which, number of shares to be issued under stock compensation plan]	13,031 [7,731]
	<p>[Reason for nomination as candidate for Director]</p> <p>Tetsuya Takahashi has been involved in the management of the Company as Executive Officer since June 2016. Assuming the office of Director and Executive Officer in June 2017 and Director and Managing Executive Officer in June 2019, he has been in charge of the Sales Division. He has appropriately fulfilled his duties and made significant contributions to improving business performance. He has also served as the person in charge of Sales Strategy and has promoted maintenance and strengthening of the business structure including the EC business since April 2021. The Company believes that by leveraging his abundant management experience and deep insight, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Director.</p>	


No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
3	 <p data-bbox="233 810 445 875">Koichi Yokoyama (March 5, 1963)</p> <p data-bbox="233 902 445 936">[Reappointment]</p>	<p data-bbox="496 293 1477 327">March 1985 Joined the Company</p> <p data-bbox="496 327 1477 360">April 2000 Manager of Kitaosaka Area, North Kansai Sales Department</p> <p data-bbox="496 360 1477 394">April 2001 Manager of PitONE Sales Department</p> <p data-bbox="496 394 1477 427">September 2004 Manager of Kansai Sales Department and Manager of Central Area</p> <p data-bbox="496 427 1477 461">June 2005 Director, Manager of Kansai Sales Department</p> <p data-bbox="496 461 1477 526">October 2008 Director, Assistant General Manager of Sales Division and Manager of Kansai Sales Department</p> <p data-bbox="496 526 1477 591">April 2009 Director, General Manager of Sales Division and Manager of Kansai Sales Department</p> <p data-bbox="496 591 1477 624">April 2012 Director, General Manager of Sales Division</p> <p data-bbox="496 624 1477 723">February 2013 Director, Assistant General Manager of Sales Division, responsible for Kansai Sales Department, Tokyo & Tokai Sales Department, Eco Business Promotion Department, CS Promotion Department, and Sales Administration Department</p> <p data-bbox="496 723 1477 844">June 2013 Director, Assistant General Manager of Sales Division and Manager of CS Promotion Department, responsible for Kansai Sales Department, Tokyo & Tokai Sales Department, Eco Business Promotion Department, and Sales Administration Department</p> <p data-bbox="496 844 1477 909">April 2016 Director, General Manager of Development Division and Manager of Development Department</p> <p data-bbox="496 909 1477 974">June 2016 Director and Managing Executive Officer, General Manager of Development Division and Manager of Development Department</p> <p data-bbox="496 974 1477 1072">September 2018 Director and Managing Executive Officer, General Manager of Development Division and Manager of Development Department and Manager of Construction Department</p> <p data-bbox="496 1072 1477 1160">April 2021 Director and Managing Executive Officer, in charge of Infrastructure Strategy and Manager of Development Department and Manager of Construction Department</p> <p data-bbox="496 1160 1477 1216">April 2022 Director and Managing Executive Officer, in charge of Infrastructure Strategy (to present)</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held [of which, number of shares to be issued under stock compensation plan]	29,020 [8,820]
	<p data-bbox="181 1435 1477 1469">[Reason for nomination as candidate for Director]</p> <p data-bbox="181 1469 1477 1588">Koichi Yokoyama has been involved in the management of the Company as Director since June 2005. Assuming the office of Director and Managing Executive Officer in June 2016, he has been in charge of the Development Division, has supervised business related to store development of the Group, and made significant contributions to strengthening store capabilities and improving investment efficiency.</p> <p data-bbox="181 1588 1477 1653">In addition, from April 2021, as the person in charge of infrastructure strategy, he has been actively promoting environmental issues such as greenhouse gas reduction to realize a decarbonized society.</p> <p data-bbox="181 1653 1477 1771">The Company believes that by leveraging his abundant management experience and deep insight, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Director.</p>	


No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
4	 <p data-bbox="225 629 456 685">Koji Tanaka (November 18, 1963)</p> <p data-bbox="248 719 432 752">[Reappointment]</p>	<p data-bbox="507 293 644 322">March 1986</p> <p data-bbox="667 293 890 322">Joined the Company</p> <p data-bbox="507 327 628 356">April 1996</p> <p data-bbox="667 327 1235 356">Assistant Manager of Human Resources Department</p> <p data-bbox="507 360 628 389">April 2002</p> <p data-bbox="667 360 1155 389">Co - Manager of General Affairs Department</p> <p data-bbox="507 394 628 423">April 2006</p> <p data-bbox="667 394 1102 423">Manager of General Affairs Department</p> <p data-bbox="507 427 628 456">June 2010</p> <p data-bbox="667 427 1203 456">Director, Manager of General Affairs Department</p> <p data-bbox="507 461 628 490">April 2016</p> <p data-bbox="667 461 1362 512">Director, Assistant General Manager of Business Administration Headquarters</p> <p data-bbox="507 517 628 546">May 2016</p> <p data-bbox="667 517 1362 568">Director, Assistant General Manager of Business Administration Headquarters and Manager of General Affairs Department</p> <p data-bbox="507 573 628 602">June 2016</p> <p data-bbox="667 573 1453 658">Director and Managing Executive Officer, Assistant General Manager of Business Administration Headquarters and Manager of General Affairs Department</p> <p data-bbox="507 663 628 692">June 2018</p> <p data-bbox="667 663 1453 725">Director and Managing Executive Officer, Assistant General Manager of Business Administration Headquarters</p> <p data-bbox="507 730 628 759">June 2019</p> <p data-bbox="667 730 1449 792">Director and Managing Executive Officer, General Manager of Business Administration Headquarters</p> <p data-bbox="507 797 628 826">April 2021</p> <p data-bbox="667 797 1406 848">Director and Managing Executive Officer, in charge of Management Planning & Human Resources Strategy (to present)</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held [of which, number of shares to be issued under stock compensation plan]	24,420 [8,820]
	<p data-bbox="193 1068 735 1097">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 1102 1458 1279">Koji Tanaka has been involved in the management of the Company as Director since June 2010. Assuming the office of Director and Managing Executive Officer in June 2016, he has been in charge of the Business Administration Headquarters. He has appropriately fulfilled his duties and made significant contributions to improving business performance. He has also served as General Manager of the Business Administration Headquarters since June 2019 and as the person in charge of Management Planning & Human Resources Strategy since April 2021, and has played a major role in management reform such as strengthening of corporate governance.</p> <p data-bbox="193 1283 1453 1395">The Company believes that by leveraging his abundant management experience and deep insight, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
5	 <p data-bbox="245 611 432 674">Suguru Oshiro (August 2, 1962)</p> <p data-bbox="245 701 432 734">[Reappointment]</p>	<p data-bbox="507 293 1453 353">April 1986 Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited)</p> <p data-bbox="507 353 1453 414">July 2002 Assistant General Manager of Sales Department II, Head Office Sales Division, The Asahi Bank, Ltd. (currently Resona Bank, Limited)</p> <p data-bbox="507 414 1453 474">April 2005 General Manager of Sales Department II, Nanba Branch, Resona Bank, Limited</p> <p data-bbox="507 474 1453 535">April 2012 Joined the Company Manager in charge of New Properties of Store Development Department</p> <p data-bbox="507 535 1453 595">April 2014 Manager of Accounting Department</p> <p data-bbox="507 595 1453 656">June 2018 Executive Officer, Manager of Accounting Department and Manager of Management Planning Department</p> <p data-bbox="507 656 1453 716">June 2019 Director and Executive Officer, Assistant General Manager of Business Administration Headquarters and Manager of Accounting Department and Manager of Management Planning Department</p> <p data-bbox="507 716 1453 777">April 2021 Director and Executive Officer, in charge of Financial Strategy, and Manager of Accounting Department</p> <p data-bbox="507 777 1453 808">April 2022 Director and Executive Officer, in charge of Financial Strategy (to present)</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held [of which, number of shares to be issued under stock compensation plan]	8,762 [4,262]
	<p data-bbox="193 1032 735 1064">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 1064 1453 1301">Suguru Oshiro has been involved in the management of the Company as Executive Officer since June 2018 based on years of experience and expertise accumulated at financial institutions. He has served as Director and Executive Officer since June 2019 and the person in charge of Financial Strategy since April 2021, and he has made significant contributions to improving management soundness and transparency through promoting appropriate capital policies. The Company believes that by leveraging his abundant management experience and deep insight, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
6	 <p data-bbox="223 544 458 600">Kinya Naito (November 24, 1955)</p> <p data-bbox="247 633 432 663">[Reappointment]</p> <p data-bbox="288 696 391 725">[Outside]</p> <p data-bbox="264 759 414 788">[Independent]</p>	<p data-bbox="507 293 644 322">April 1986</p> <p data-bbox="683 293 900 322">Admitted to the bar</p> <p data-bbox="507 322 644 351">March 1999</p> <p data-bbox="683 322 1007 351">Established Naito Law Office</p> <p data-bbox="507 351 624 380">June 2003</p> <p data-bbox="683 351 1370 414">Outside Audit & Supervisory Board Member, Ikko Corporation (currently J Trust Co., Ltd.)</p> <p data-bbox="507 414 671 443">February 2004</p> <p data-bbox="683 414 1126 443">Established Mizuho Partners Law Office</p> <p data-bbox="507 443 632 472">April 2012</p> <p data-bbox="683 443 1102 472">Vice President, Osaka Bar Association</p> <p data-bbox="683 472 1318 501">Executive Governor, Kinki Federation of Bar Associations</p> <p data-bbox="507 501 632 530">April 2014</p> <p data-bbox="683 501 1434 530">Part-time Auditor, National University Corporation Osaka University</p> <p data-bbox="507 530 624 560">June 2016</p> <p data-bbox="683 530 1015 560">Outside Auditor, the Company</p> <p data-bbox="683 560 1342 589">Outside Director, FALCO HOLDINGS Co., Ltd. (to present)</p> <p data-bbox="507 589 632 618">April 2017</p> <p data-bbox="683 589 1134 618">Established Naito Law Office (to present)</p> <p data-bbox="507 618 624 647">June 2017</p> <p data-bbox="683 618 1150 647">Outside Director, the Company (to present)</p> <p data-bbox="507 647 632 676">April 2019</p> <p data-bbox="683 647 1386 710">Member of Personnel Inspection Commission, Osaka Prefectural Government</p> <p data-bbox="507 710 655 739">January 2020</p> <p data-bbox="683 710 1358 739">Chairman, Development Investigation Committee, Osaka City</p>
	Attendance at the Board of Directors meetings	23 out of 23 meetings (100%)
	Number of shares of the Company held	1,600
	<p data-bbox="196 925 1139 954">[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p data-bbox="196 954 1430 1043">Kinya Naito has advanced expertise and abundant experience as an attorney-at-law, and possesses abundant experience and deep insight as an outside director at other companies. He has been involved in the management of the Company as an Outside Director since June 2017, and has fulfilled his duties.</p> <p data-bbox="196 1043 1430 1167">The Company believes that by leveraging his abundant experience and achievements, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution from an independent viewpoint, and further contribute to a sustainable increase in corporate value. The Company therefore renominated him as a candidate for Outside Director.</p> <p data-bbox="196 1167 1458 1283">The Company expects that he will provide supervision and advice regarding the execution of duties of Directors mainly on legal governance, personnel and labor from a professional perspective, and be involved in selecting candidates for officers of the Company and deciding officers' compensation, etc. as a Nomination and Compensation Committee Member from an objective and neutral viewpoint.</p>	

No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
7	 <p data-bbox="223 551 458 611">Keiko Yamahira (November 30, 1960)</p> <p data-bbox="245 640 432 674">[Reappointment]</p> <p data-bbox="288 703 389 736">[Outside]</p> <p data-bbox="261 766 416 799">[Independent]</p>	<p data-bbox="507 293 1418 327">April 1983 Joined Kubota House Co., Ltd. (currently Sanyo Homes Corporation)</p> <p data-bbox="507 327 1342 387">April 2010 Officer, SANYO Homes Corporation (currently Sanyo Homes Corporation)</p> <p data-bbox="507 387 963 421">June 2011 Director, Executive Officer</p> <p data-bbox="507 421 1366 481">June 2012 Director, SANYO Reform Corporation (currently Sanyo Reform Corporation) (concurrent)</p> <p data-bbox="507 481 1362 542">June 2013 Director & Senior Executive Officer, Sanyo Homes Corporation Director, SunAdvance, Inc. (concurrent)</p> <p data-bbox="507 542 1334 575">June 2015 Director, Sanyo Homes Community Corporation (concurrent)</p> <p data-bbox="507 575 1193 609">June 2015 President & Director, Sanyo Homes Corporation</p> <p data-bbox="507 609 1382 669">April 2017 Chairman and Representative Director, Sanyo Homes Community Corporation</p> <p data-bbox="507 669 911 703">April 2019 Advisor, the Company</p> <p data-bbox="507 703 1166 736">June 2019 Outside Director, Fujitec Co., Ltd. (to present)</p> <p data-bbox="507 736 1134 770">June 2019 Outside Director, the Company (to present)</p> <p data-bbox="507 770 1238 804">June 2021 Outside Director, Takara Leben Co., Ltd. (to present)</p>
	Attendance at the Board of Directors meetings	22 out of 23 meetings (95.7%)
	Number of shares of the Company held	400
	<p data-bbox="193 943 1142 976">[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p data-bbox="193 976 1445 1093">Keiko Yamahira has long served as a manager of companies in the housing and renovation business, and has profound experience in corporate management as the Chairman and Representative Director of Sanyo Homes Community Corporation since April 2017. She has been involved in the management of the Company as an Outside Director since June 2019, and has fulfilled her duties.</p> <p data-bbox="193 1093 1445 1209">The Company believes that by leveraging her abundant experience and achievements, she can sufficiently fulfill her duties in making decisions on important business execution and supervising execution from an independent viewpoint, and further contribute to a sustainable increase in corporate value. The Company therefore renominated her as a candidate for Outside Director.</p> <p data-bbox="193 1209 1430 1335">The Company expects that she will provide supervision and advice regarding the execution of duties of Directors mainly on corporate management and environmental measures from a professional perspective, and be involved in selecting candidates for officers of the Company and deciding officers' compensation, etc. as a Nomination and Compensation Committee Member from an objective and neutral viewpoint.</p>	

No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
8	 <p>Junko Kawano (Family name in the family register: Yamanouchi) (September 30, 1963)</p> <p>[Reappointment]</p> <p>[Outside]</p> <p>[Independent]</p>	<p>April 1986 Joined Recruit Co., Ltd.</p> <p>October 1991 Deputy Head Editor of “Shukan Jutaku Joho,” Japan’s housing magazine</p> <p>January 1997 Head Editor of “Travail,” Japan’s first career change magazine for women</p> <p>April 2006 Leader of Women’s Life & Career Research Team (concurrent position)</p> <p>June 2008 Retired from Recruit Co., Ltd.</p> <p>July 2008 Joined Sumitomo Corporation Lifestyle & Retail Business Division</p> <p>October 2008 Leader of Transmedia Team</p> <p>April 2012 Leader of Global Education Business Team</p> <p>February 2013 Director, Institute of Global Human Capital Strategies Co., Ltd. (concurrent position)</p> <p>June 2017 Retired from Sumitomo Corporation</p> <p>March 2018 Established Kawano Junko Office (to present) Chief Marketing Officer, Life Shift Japan Co., Ltd.</p> <p>September 2019 Board Member, Non-Profit Organization Tokyo International Progressive School (to present)</p> <p>April 2020 Senior Researcher of Keio Research Institute at SFC (to present)</p> <p>June 2021 Outside Director, the Company (to present)</p> <p>December 2021 Director and Chief Marketing Officer, Life Shift Japan Co., Ltd. (to present)</p> <p>April 2022 Outside Director, DyDo Group Holdings, Inc. (to present)</p>
	Attendance at the Board of Directors meetings	16 out of 16 meetings (100 %)
	Number of shares of the Company held	—
<p>[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Junko Kawano has profound experience in consulting work especially in areas such as advisory services on women’s empowerment based on her experience in HR media coverage and management consulting to help improve customer value in B to C domains. She has been involved in the management of the Company as an Outside Director since June 2021, and has fulfilled her duties.</p> <p>The Company believes that by leveraging her abundant experience and achievements, she can sufficiently fulfill her duties in making decisions on important business execution and supervising execution from an independent viewpoint, and further contribute to a sustainable increase in corporate value. The Company therefore renominated her as a candidate for Outside Director.</p> <p>The Company expects that she will provide supervision and advice regarding the execution of duties of Directors mainly on sales marketing and diversity from a professional perspective, and be involved in selecting candidates for officers of the Company and deciding officers’ compensation, etc. as a Nomination and Compensation Committee Member from an objective and neutral viewpoint.</p>		

No.	Name (Date of birth)	Career summary (positions, responsibilities, and significant concurrent positions)
9	 <p>Seiji Nishikawa (March 8, 1956)</p> <p>[New appointment]</p> <p>[Outside]</p> <p>[Independent]</p>	<p>April 1980 Joined Nippon Telegraph and Telephone Public Corporation (currently Nippon Telegraph and Telephone Corporation)</p> <p>July 1987 Lead Engineer, Mobile Communications Division, Nippon Telegraph and Telephone Corporation</p> <p>April 1992 Chief Engineer, Information Systems Department, Mobile Communications Division</p> <p>July 1992 Chief Engineer, Information Systems Department, NTT Mobile Communications Network, Inc. (currently NTT DOCOMO, INC.)</p> <p>April 2000 Chief Engineer, Information Systems Department, NTT DoCoMo, Inc. (currently NTT DOCOMO, INC.)</p> <p>October 2001 Executive Chief Engineer, Information Systems Department</p> <p>June 2003 Department Manager, Information Systems Department</p> <p>June 2006 Department Manager, Information Systems Department and Executive Officer</p> <p>Director, NTT DoCoMo Kyushu, Inc. (currently NTT DOCOMO, INC.) (concurrent position)</p> <p>June 2012 Department Manager, Information Systems Department and Chief Information Officer</p> <p>June 2013 President and Chief Executive Officer, DOCOMO Systems, Inc. (concurrent position)</p> <p>March 2021 Member of the Mizuho Bank's independent System Failure Special Investigative Committee</p>
	Attendance at the Board of Directors meetings	— out of — meetings (— %)
	Number of shares of the Company held	—
<p>[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Seiji Nishikawa has a broad range of insight gained from his core role in the information systems division of a major telecommunications company, as well as experience as a director and president of its affiliate.</p> <p>The Company believes that by leveraging his abundant experience and achievements, he can sufficiently fulfill his duties in making decisions on important business execution and supervising execution from an independent viewpoint, and that he is appropriate for the promotion of our growth strategy. The Company therefore nominated him as a new candidate for Outside Director.</p> <p>The Company expects that he will provide supervision and advice regarding the execution of duties of Directors mainly on ICT/DX, and be involved in selecting candidates for officers of the Company and deciding officers' compensation, etc., as a Nomination and Compensation Committee Member from an objective and neutral viewpoint.</p>		

Notes:

1. There are no special interests between any of the candidates for Director and the Company.
2. [New appointment] indicates a new candidate for Director, [Outside] indicates a candidate for Outside Director, and [Independent] indicates a candidate for independent director.
3. Junko Kawano's name on the family registry is Junko Yamanouchi.
4. Kinya Naito, Keiko Yamahira, Junko Kawano and Seiji Nishikawa are candidates for Outside Directors. The Company has registered them with the Tokyo Stock Exchange as independent directors.
5. Kinya Naito will have served as the Company's Outside Director for five years at the conclusion of this Meeting.
6. Keiko Yamahira will have served as the Company's Outside Director for three years at the conclusion of this Meeting.
7. Junko Kawano will have served as the Company's Outside Director for one year at the conclusion of this Meeting.
8. The Company has entered into agreements with Kinya Naito, Keiko Yamahira and Junko Kawano to limit their liability provided in Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.
If this proposal is approved as proposed at this Meeting, the Company intends to retain the existing agreements with them and enter into the same agreement with Seiji Nishikawa.
9. The Company has entered into a directors and officers liability insurance contract as provided by Article 430-3, Paragraph 1 of the Companies Act to insure all Directors. The contract covers damages that may arise due to insured Directors assuming liability for their execution of duties, or receiving claims for the pursuit of such liability. If the candidates are appointed as Director, each of them will be insured under the insurance contract, which is to be renewed during their terms of office under the same terms and conditions.
10. Keiko Yamahira is scheduled to retire from office as Outside Director of Fujitec Co., Ltd. on June 23, 2022.
11. Keiko Yamahira is scheduled to assume office as Outside Director of Shinagawa Refractories Co., Ltd. on June 29, 2022.

Reference: Skills Matrix of Directors and Auditors

Management structure subject to approval of proposal No. 3 as initially proposed
 Areas of specialization and experience of candidates for Director/Auditor are as follows.

Director/Auditor		Management Skills					Skills related to Business Specialization						
		Corporate management	Finance & Accounting/ Capital policies	Legal affairs/ Governance	Management planning / Business strategy	Personnel & Labor/ Diversity	Home appliance retail business	Living environment business	Marketing	Logistics	ICT/DX	Environment /Energy	
Director		Ryuhei Kanatani	☆	☆	☆	☆	☆	☆		☆			☆
		Tetsuya Takahashi	☆					☆	☆	☆	☆	☆	☆
		Koichi Yokoyama	☆					☆		☆			☆
		Koji Tanaka	☆		☆	☆	☆					☆	☆
		Suguru Oshiro	☆	☆	☆	☆							
	Outside	Kinya Naito	☆		☆		☆						
	Outside	Keiko Yamahira	☆	☆		☆	☆		☆	☆			☆
	Outside	Junko Kawano	☆			☆	☆			☆			
	Outside	Seiji Nishikawa	☆			☆	☆					☆	
Auditor		Nobuhiro Sugihara			☆	☆		☆					
		Hidetoshi Yamamoto	☆		☆			☆	☆		☆		☆
	Outside	Masayasu Hashimoto	☆	☆	☆					☆			
	Outside	Yoshio Hayakawa		☆	☆								

Policies and Procedures for Election of Directors and Auditors

The selection of Directors is based on their knowledge, understanding, and experience of the Company's management policies, business operations, and issues, and on their potential to contribute to the enhancement of the Company's corporate value over the medium to long term. The Nomination and Compensation Committee, chaired by an independent outside director with a majority of the members, deliberates in consultation with the Board of Directors, and the Board of Directors makes decisions based on the Committee's report.

With the consent of the Board of Auditors, the Company appoints auditors who are experienced in the Company's business operations and management, internal controls, and financial and other administration, and who can apply their insight based on their background in auditing.

In addition, with respect to Outside Directors and Outside Auditors, from the perspective of strengthening the supervisory function of the execution of duties or appropriately auditing the execution of duties by Directors, the Company places importance on the fact that they are independent human resources with no risk of conflict of interest with general shareholders and have abundant experience and deep insight in their respective fields of expertise.

In our company, the criteria for determining independence are based on satisfying both the requirements of the Companies Act for outside officers and the criteria for independence required by the Stock Exchange, and appropriate persons who can contribute to the enhancement of corporate value and shareholder interests are nominated as candidates for outside officers and registered as independent officers with the Stock Exchange upon approval at the General Meeting of Shareholders.

The criteria for determining independence are deliberated by the Nomination and Compensation Committee, which receives advice from the Board of Directors from time to time, and the Board of Directors decides on the criteria based on the report of the Committee.

Approach to the Skills of Directors and Auditors

1. The Joshin Denki Group's core businesses include retail business in the home appliance and entertainment fields in the Kansai, Tokai, Kanto, and Hokushinetsu areas, as well as the living environment business, including the construction of in-home infrastructure. The Group aims to achieve sustainable growth and increase corporate value over the medium to long term by establishing a sound and highly transparent corporate governance and internal control system.
2. As a company with a Board of Auditors, the Board of Directors is responsible for making decisions on important business operations and supervising the execution of duties by directors. In order for the Board of Directors to properly fulfill its role, the Board of Directors as a whole must have the necessary skills based on the business content, operating organization, and governance structure of the Group, and these skills are constantly changing with the business environment.
3. In order for our Board of Directors to make appropriate decisions and supervise the execution of important business operations, they must have experience in "corporate management" and the skills necessary for management such as "finance and accounting, and capital policies," "legal affairs and governance," "management planning and business strategy," "personnel and labor, and diversity," as well as industry-specific skills and knowledge in the "home appliance retail business" and the "living environment business" and the "marketing" and "logistics" that support their development. In addition, the importance of skills and knowledge in the fields of "ICT/DX" to advance the EC business for home appliances and support service business in a super-aged society, and "environment and energy" to support the spread of energy-creating, energy-storing, and energy-saving products to support carbon neutrality in the home is also increasing.
4. In order for Auditors to properly audit the execution of duties by Directors, we believe it is desirable for the Board of Auditors to be composed of Auditors with the same skills as the Board of Directors, and we also believe that skills in "finance and accounting" are of particular importance.

Using the Skills Matrix to Improve the Effectiveness of the Board of Directors

Based on the belief that the diversity of the directors who compose the Board of Directors determines the effectiveness of the Board of Directors and has a significant impact on sustainable growth and enhancement of corporate value over the medium to long term, the Board of Directors regularly deliberates on the balance and diversity of the composition of the Board of Directors, including the knowledge, experience, and abilities of Directors, and identifies the skills required of Directors and Auditors, which are published in the "Skills Matrix."

The Company considers the "Skills Matrix" as a tool to appropriately ensure the skills and diversity of the Board of Directors by recruiting a wide range of human resources with strengths in specific fields. When appointing Directors and Auditors, the Company will select candidates with the necessary skills and experience in light of the "Skills Matrix" and follow the procedures to be approved at the Annual General Meeting of Shareholders.

We also believe that the "Skills Matrix" will play an important role in our Succession Plan, and we use it as a criterion for evaluating core human resources in order to develop candidates for executive director and CEO positions.


We continuously provide training for current Directors, Executive Officers, and senior management in order to develop candidates for the next term. In particular, Executive Officers share a wide range of skills and knowledge required of Directors, including legal and governance issues, sales strategies, financial strategies, business management, and subsidiary management at Executive Officer meetings and Sustainability Committee meetings attended by Directors and Auditors. In addition, the Board of Directors regularly receives reports on the results of the Executive Officers' performance of their duties, and the Company takes sufficient time to evaluate and develop them as human resources capable of serving as Directors and CEO in the future.

Proposal 4: Election of One Substitute Auditor

In order to prepare for contingencies where the number of Auditors falls below statutory requirements, the Company proposes the prior election of one substitute Auditor.

The Company has obtained the prior consent of the Board of Auditors to this proposal.

The candidate for substitute Auditor is as follows:

Name (Date of birth)	Career summary (positions and significant concurrent positions)
 Eiki Terahiro (July 15, 1980)	December 2008 Admitted to the bar Joined KAMAKURA-HIGAKI Law Office April 2015 Partner, KAMAKURA-HIGAKI Law Office September 2019 Partner, HIGAKI-KAMAKURA-TERAHIRO Law Office (to present)
Number of shares of the Company held	—
<p>[Reason for nomination as candidate for substitute Outside Auditor] Eiki Terahiro has advanced expertise and abundant experience as an attorney-at-law and is particularly well versed in labor laws. The Company believes that by making use of his assets in its audits, he can appropriately fulfill his duties as an Outside Auditor from an independent viewpoint, and therefore nominated him as a candidate for substitute Outside Auditor.</p>	

Notes:

1. There are no special interests between the candidate for substitute Auditor and the Company.
2. Candidate of substitute Auditor Eiki Terahiro is a candidate for Outside Auditor. If he is appointed, the Company intends to register him with the Tokyo Stock Exchange as an independent auditor.
3. If Eiki Terahiro is appointed as an Outside Auditor, the Company intends to enter into an agreement with him to limit his liability provided in Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement will be the minimum amount stipulated by laws and regulations.
4. The Company has entered into a directors and officers liability insurance contract as provided by Article 430-3, Paragraph 1 of the Companies Act to insure all Auditors. The contract covers damages that may arise due to insured Auditors assuming liability for their execution of duties, or receiving claims for the pursuit of such liability. If Eiki Terahiro is appointed as Auditor, he will be insured under the insurance contract, which is to be renewed during his term of office under the same terms and conditions.

Proposal 5: Renewal of Response Policy to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)

The "Response Policy to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)" (hereinafter referred to as the "Current Response Policy") that was adopted in accordance with the resolution of the Company's 59th Annual General Meeting of Shareholders held on June 22, 2007, has continued to be adopted by approval of the shareholders.

As the Current Policy is about to expire, and in light of changes in social and economic conditions and trends in discussions regarding takeover defense measures, this proposal aims to renew the following policy (the "Policy") from the viewpoint of ensuring and enhancing the Company's corporate value and the common interests of shareholders.

The updated Response Policy is in accordance with the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common interests" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005, the "Takeover Defense Measures in Light of Recent Environmental Changes" released by the Corporate Value Study Group on June 30, 2008, and "Principle 1-5: So-called Takeover Defense Measures" of "Japan's Corporate Governance Code."

[Major Changes from the Current Response Policy]

- (1) The Company has clearly stated that the Independent Committee's recommendation on countermeasures can add a provision to the effect that the Company should obtain confirmation of the will of the shareholders.
- (2) The composition of the Independent Committee was changed from a three-member system of outside directors to a four-member system consisting of four independent outside directors.

Note that the status of the Company's major shareholders as of March 31, 2022 is as indicated in "Attachment 4," and as of today, the Company has not received any proposals or other communication regarding Large-Scale Acquisition of the Company's shares.

1. Efforts to Enhance the Company's Corporate Value and Common Interests of Shareholders

I. Efforts to Enhance Corporate Value

Offering home appliances, information and telecommunications equipment, entertainment products, home furnishings, and home remodeling, the Company provides customers with comfortable lifestyles through highly specialized and diverse channels that include brick-and-mortar stores as well as online shopping.

We strive to build a bond of trust with our customers through the spirit of offering wholehearted customer service, a commitment that has remained unchanged since the inception of the company. This encompasses everything from our advanced expertise to the ideas we provide about enhancing people's lifestyles, our wide selection of products, reasonable prices, and assuring and reliable after-sales service.

The environment around us is currently undergoing major changes. Our lifestyles are also changing significantly as the social structure, social environment, and societal values around us undergo drastic changes. Such changes are exemplified by demographic shifts like decreasing populations and households as well as increasing elderly single-person households, caused by the declining birthrate and aging population. They are also brought about by trends such as advanced development of ICT (information and communication technology), and social trends such as respect for and acknowledgement of every individual regardless of gender, age, nationality, etc., and the spread of diversity and inclusion, not to mention climate change.

In light of the current state of these social changes and the challenges they present, we have revised our management philosophy for the first time in 57 years, staying true to the fundamental spirit of our corporate credo of "Thoughtfulness" (meaning "to always think and act in consideration of the other's perspective"), the value that undergirds the very foundation of our philosophical framework.

[New Management Philosophy] “Connecting people and society to the future with a smile”

Based on a long-term perspective of the future and the type of society that we seek, our new management philosophy is infused with a desire to see passed on to future generations a sustainable society where no one is left behind.

In addition, we have identified two ways through which we can create value for society: namely, supporting and strengthening resilience in our aging society and achieving carbon neutrality in the home. In order to realize these values, we have decided that our management vision is to become a hub for the infrastructure of life through the power of home appliances and ICT (information and communication technology).

For our retail business, which mainly sells home appliances, we believe that there are two main factors that will have a major impact on what our future looks like. One is a declining birthrate and aging population. The decrease in population and the number of households and the increase in the number of elderly single-person households due to a declining birthrate and aging population have implications on issues such as changes to consumer purchasing behavior, shrinking market size, and a shrinking working population. While we are addressing this issue as a risk, we also regard it as a new business opportunity. For this reason, we have to strengthen the resilience in our aging society as an initiative for social value creation the Company should work on to support the sustainable development of society.

We consider “resilience” to mean not only “restoration to the original state” but also “adaptation to change.” In light of the ongoing transformation into a super-aged society, we aim to find opportunities in the changing environment while adeptly integrating our sales know-how, through which we will create and seamlessly provide new added value.

The second factor is climate change. In July 2021, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Environmental problems such as climate change not only threaten biodiversity but are also serious risks that adversely impact the world economy. As a countermeasure to this issue, achieving a carbon-neutral society is a universal goal, and Japan is pledging before the world to aim for complete carbon-neutrality by 2050. With the frequent occurrence of large-scale natural disasters around the world, there is growing recognition that tackling climate change is an urgent issue. Environmental issues pose a risk for companies, but there are also ways to turn increased awareness of the environment into an opportunity. Through home appliance sales, we will popularize home appliances with high performance in energy creation, storage, and savings (solar power generation, storage batteries, energy-saving home appliances, etc.), and actively work on building a recycling-based society through the 3Rs (reduce, reuse, recycle) while contributing to the elevation of social values.

We believe that the above efforts enhance the corporate value of the Group and, as a result, reduce the risk of the emergence of large-scale acquirers who might significantly compromise the collective interests of our shareholders.

II. Efforts to Strengthen Corporate Governance

The Company is working to strengthen our corporate governance in order to realize continuous improvement of our corporate value. The following are the main initiatives taken by the Company to strengthen our corporate governance.

(Strengthening of the collective performance of the Board of Directors)

The Company’s Board of Directors determines the appropriate size from the perspective of improving the efficiency of the management team and speeding up the decision-making process. In addition, efforts are made to bring to bear a favorable balance of knowledge and experience within the Board of Directors as based on a skills matrix that enumerates the expertise and experience required for the Board. In addition to the requisite qualifications and diversity that Directors possess to address the Company’s management challenges, four independent outside directors (two of whom are women) have been selected in accordance with Tokyo Stock Exchange regulations in order to enhance the effectiveness of the Board’s supervisory functions. As a result, one-third or more of the total number of directors (nine directors) consists of independent outside directors, which makes for a system that we believe further ensures its independence and objectivity.

In addition, the Board of Directors Evaluation Committee that consists of independent outside directors and corporate auditors takes the lead each fiscal year in analyzing and evaluating the effectiveness of the Board of Directors and in promoting ongoing measures to improve the effectiveness of the Board.

(Verification of the rationality for policy shareholdings (i.e., cross-held stocks))

In order to strengthen business relationships and facilitate the smooth promotion of business interests, the Company makes a policy of currently holding listed shares of business partners with a view toward increasing the Company's medium- to long-term corporate value. The Board of Directors meets quarterly to qualitatively review the policy shareholdings to assess their status within the purview of objectives such as how well they maintain smooth and favorable business relationships with partner companies and build supply chains. There is also a quantitative assessment of metrics such as ratio to total assets and profits and dividends derived from business relationships. As such factors are assessed, determination is made about whether the significance of particular holdings has faded, in which case the Company dialogues and negotiates with the companies in question and disposes of such holdings as deemed appropriate.

(Other efforts)

In addition to the above, the Company is working to strengthen our corporate governance as based on the latest iteration of the Corporate Governance Code. For more information on our corporate governance, please refer to our Integrated Report (<https://www.joshin.co.jp/joshintop/csr/>).

2. Content of the Response Policy

I. Purpose of the Response Policy

The purpose of the Response Policy is to take appropriate measures against large-scale acquisitions in order to ensure and enhance the corporate value of the Company and the common interests of its shareholders in cases in which such acquisitions could conceivably compromise that corporate value and those common interests. This refers to the acquisition of the Company's Share Certificates, etc. (Note 3) by a Specified Group of Shareholders (Note 1) for the purpose of increasing or leading to the increase of the percentage of voting rights (Note 2) of that particular group to 20% or more. (This excludes cases in which the purchase is agreed to in advance by the Board of Directors, and does not bring into question specific purchase methods, such as market transactions, tender offers, etc. Such an acquisition is hereinafter referred to as a "Large-Scale Acquisition" and the party engaged in a Large-Scale Acquisition shall hereinafter be referred to as a "Large-Scale Acquirer.")

II. Necessity of the Response Policy

The Board of Directors believes that as long as the Company allows its shares to be traded freely as a public company, the final decision to sell the Company's shares in response to a Large-Scale Acquisition should be made by its shareholders. In order for shareholders to make an appropriate decision on whether or not to accept the sale of the Company's shares, i.e., a Large-Scale Acquisition, it is necessary to provide them with sufficient information to make such a decision. For this purpose, we believe it is essential that the Board of Directors, which in substance manages the Company, provides them with sufficient information, including its assessment and opinion on the Large-Scale Acquisition as well as alternative proposals, in addition to unilateral information provided by the Large-Scale Acquirer.

In order for the Company to secure and enhance our corporate value and the common interests of our shareholders amid the fierce competition within the home appliance sales industry, it is of particular importance for the Company to maximize the bonds of trust built up over so many years with our customers, business partners, employees, and to proactively take initiatives such as (i) offering advanced expertise, ideas about enhancing people's lifestyle, and a wide selection of products, (ii) making available reasonable prices, (iii) providing assuring and reliable after-sales service, and (iv) creating stores that are firmly rooted in their respective communities.

Unless these efforts are secured and improved over the medium to long term by a Large-Scale Acquirer of the Company's shares, the Company's corporate value and the common interests of shareholders will be compromised. In addition, when receiving a Large-Scale Acquirer's offer of a Large-Scale Acquisition, it is of necessity to gain an understanding of a host of matters in order to

determine the impact of the acquisition in question on our corporate value and the common interests of our shareholders.

This being the case, at the time of a sudden Large-Scale Acquisition offer, shareholders need to be able to make an appropriate decision in a short period of time about whether the Large-Scale Acquisition will contribute to the common interests of our shareholders. It is necessary to consider the potential impact of such an act on our Company, our management policy, management strategy, and business plan in the event that the Large-Scale Acquirer takes part in the management of the Company, and other factors. We believe that it is essential that necessary and adequate information be provided, and that the type of feedback emanating from the Board of Directors of the Company regarding such an action be provided as important information to inform the decision-making process of our shareholders.

With the belief that Large-Scale Acquisitions conducted in accordance with a rational set of rules will contribute to securing and enhancing our corporate value and the common interests of our shareholders, the Board of Directors has duly updated our rules concerning Large-Scale Acquisitions (hereinafter referred to as the “Large-Scale Acquisition Rules”) as follows.

III. Outline of the Large-Scale Acquisition Rules

The outline of the Large-Scale Acquisition Rules established by the Company is as follows.

- (1) Prior to a Large-Scale Acquisition, a Large-Scale Acquirer shall provide necessary and sufficient information to the Company’s Board of Directors.
- (2) A period of time shall be established for the Board of Directors and the Independent Committee to evaluate and consider said Large-Scale Acquisition based on the information provided. The Large-Scale Acquisition may not commence until the passage of that period of time.
- (3) In the event that the Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules or otherwise fails to take the proper action, the Board of Directors may implement the countermeasures described below, respecting the recommendations of the Independent Committee to the maximum extent in order to protect the interests of our shareholders.

The specific procedures are as follows.

- (1) Provision of information by the Large-Scale Acquirer

The Large-Scale Acquirer shall provide information in accordance with the following procedures.

- (a) Submission of an Intent Statement

Prior to a Large-Scale Acquisition, the Large-Scale Acquirer shall be required to submit to the Company’s Representative Director a written pledge in the form prescribed by the Company (hereinafter referred to as the “Intent Statement”). The Intent Statement shall include the Large-Scale Acquirer’s name, address, governing law of incorporation (in the case of a foreign corporation), the name of the representative, contact information in Japan, a summary of the proposed Large-Scale Acquisition, and a statement that the proposed Large-Scale Acquisition will be conducted in accordance with the Large-Scale Acquisition Rules and procedures.

- (b) Provision of the Information Requested by the Company

Within ten (10) business days after receipt of the Intent Statement from the Large-Scale Acquirer, the Board of Directors shall indicate to said Large-Scale Acquirer the necessary and sufficient information required by the shareholders to make a decision and for the Board of Directors to form an opinion (hereinafter referred to as the “Required Information”) in the format of a list (hereinafter referred to as the “Required Information List”).

The Required Information requested by the Board of Directors will vary depending on the affiliation of the Large-Scale Acquirer and the specific circumstances of the Large-Scale Acquisition, but will generally include the following items.

- (1) An overview of the Large-Scale Acquirer and its group (including information on matters such as the Large-Scale Acquirer’s business profile, capital structure, financial position, experience in the same type of business as that of the Company, and other pertinent information.)
- (2) Intended purpose of the Large-Scale Acquisition, how it will be accomplished, what the

Large-Scale Acquisition involves

- (3) Whether there has been communication with a third party about the intent pertaining to the Large-Scale Acquisition (including communication about intent pertaining to matters such as the act of making a material proposal to the Company as defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act) and, if there has been any communication of this intent, the specific nature, and content of the communication
- (4) Basis for calculating the unit price for which the Company's shares are to be acquired
- (5) Evidence that substantiates funding for acquisition (including specific names of providers of the funds – including substantial providers, how the funds will be procured, whether provision of the funds is contingent on any conditions, what those conditions involve, details of the transactions related to those conditions, and other pertinent matters)
- (6) Policy and plans envisioned subsequent to completion of the Large-Scale Acquisition: management policy, business plans, store plans, financial plans, capital policy, dividend policy, asset utilization policy, etc.
- (7) Response measures that would enhance the corporate value of the Company in a continuous and stable manner subsequent to completion of the Large-Scale Acquisition, and evidence that said measures will enhance the corporate value of the Company
- (8) Whether there will be any changes in relationships with the Company's business partners, employees, customers, and other stakeholders subsequent to completion of the Large-Scale Acquisition, the details thereof, and the measures that will be taken to address such changes
- (9) Any other information deemed reasonably necessary by the Board of Directors or the Independent Committee

(c) Provision and disclosure of information by the Large-Scale Acquirer

After the Required Information List has been issued, the Large-Scale Acquirer shall submit the Required Information to the Company by the deadline for response set by the Board of Directors.

If the Board of Directors or the Independent Committee have a legitimate reason to determine that the information initially submitted is insufficient, the Board of Directors or the Independent Committee may require the Large-Scale Acquirer to provide additional information by the deadline set by the Board of Directors or the Independent Committee.

In addition, the facts that the offer of a Large-Scale Acquisition has been proposed and the Required Information provided to the Board of Directors or the Independent Committee will be disclosed in whole or in part at the time the Board of Directors deems appropriate, in not only cases in which disclosure is required under laws and regulations or stock exchange rules, but also in cases in which it is deemed necessary for the shareholders to make a decision.

The Board of Directors will promptly notify the Independent Committee of the fact that a Large-Scale Acquisition has been proposed after the submission of the Intent Statement by the Large-Scale Acquirer, and will also promptly submit the Required Information to the Independent Committee upon its receipt.

(2) Assessment and Consideration by the Board of Directors

- (a) If the Board of Directors determines that the Large-Scale Acquirer has provided necessary and sufficient information about the Large-Scale Acquisition, after disclosing this determination at a time deemed reasonable by the Board of Directors, the Board of Directors will have a period in which to assess, consider, negotiate, form an opinion on the proposal of the Large Scale Acquirer, and develop alternative proposals to the Large-Scale Acquirer (this period is hereinafter referred to as the "Board Assessment Period"). This will be a period with a duration of sixty (60) days in the case of a purchase of all of the Company's shares through a tender offer with cash (in yen), or ninety (90) days (in the case of a purchase by other means). Accordingly, the Large-Scale Acquirer may not commence the Large-Scale Acquisition until the Board Assessment Period has elapsed.
- (b) During the Board Assessment Period, the Board of Directors will fully assess and consider the Required Information provided by the Large-Scale Acquirer, form a collective opinion as the Board of Directors of the Company, and announce it. Furthermore, if necessary, the Board of

Directors may negotiate with the Large-Scale Acquirer to improve the terms of the Large-Scale Acquisition and present an alternative proposal to the shareholders.

- (c) If the Board of Directors has reason to determine that it is necessary to extend the Board Assessment Period, they may extend the Period for up to thirty (30) days. The Large-Scale Acquisition should commence after the completion of the Board Assessment Period, including the extension period. In such a case, the Board of Directors of the Company shall make a public announcement promptly after the resolution regarding the reasons for extending the Board Assessment Period, the period of extension, and other matters for deeming the extension appropriate.

3. Establishment of the Independent Committee

In order to ensure the proper application of the Policy and to prevent arbitrary decisions by the Board of Directors, an Independent Committee will be established as a third-party organization independent of the Board of Directors in accordance with the procedures set forth in “Attachment 1” In order to enable fair and neutral judgments, the Independent Committee will consist of at least three members, who will be appointed from among outside directors, outside auditors, and outside experts who are independent of the management team responsible for the Company’s operations. Names, profiles, and other information about each member are as listed in “Attachment 2.”

In cases in which a Large-Scale Acquisition is deemed to fall under any of the categories described in 4-1 or 4-2 (1) through 4-2 (7) below, the Board of Directors of the Company shall consult with the Independent Committee as to whether countermeasures shall be taken in response. During the Board Assessment Period, the Independent Committee shall draw on the information provided by the Large-Scale Acquirer and the information provided by the Board of Directors to deliberate and resolve whether countermeasures are warranted, and present the content of their resolution as a recommendation to the Board of Directors. The Board of Directors shall respect that recommendation to the maximum extent possible.

Even after the Independent Committee has made a recommendation for the invocation of countermeasures, the Independent Committee has the ability to make a new recommendation, such as suspension of the invocation of countermeasures, in the event that the Large-Scale Acquisition is withdrawn or should there occur any changes in the facts on which the original recommendation was based.

4. Response Policy in the Event of a Large-Scale Acquisition

I. When a Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules

Should a Large-Scale Acquirer not comply with the Large-Scale Acquisition Rules, regardless of the specific purchase method, the Board of Directors will respect the recommendation of the Independent Committee to the maximum extent possible and, for the purpose of protecting the Company’s corporate value and the common interests of the shareholders, will take countermeasures against the Large-Scale Acquisition as permitted under the Companies Act, other laws, and Articles of Incorporation of the Company.

The countermeasures to be taken by the Company in response will be selected by the Board of Directors from among the measures authorized by the Companies Act or the Articles of Incorporation of the Company and recognized as the Board of Directors’ authority. This may include countermeasures such as the allotment of share options without contribution, and will be selected by the Board of Directors as deemed most appropriate at that time. “Attachment 3” indicates an outline of cases in which share options would be issued through an allotment of share options without contribution as a specific countermeasure. These share options may be subject to limited conditions for exercise, such as the prospective acquirer not belonging to a Specified Group of Shareholders that maintains more than a certain percentage of voting rights.

II. When a Large-Scale Acquirer complies with the Large-Scale Acquisition Rules

Should the Large-Scale Acquirer comply with the Large-Scale Acquisition Rules, the Board of Directors will not, in principle, take any countermeasures against the Large-Scale Acquisition, even if the Board of Directors opposes the Large-Scale Acquisition. However, there may be cases in which the

Board of Directors attempts to persuade the Company's shareholders not to accept the Large-Scale Acquisition by stating its opposition to the Large-Scale Acquisition and presenting an alternative proposal. Ultimately, the Company's shareholders will be asked to determine whether or not to accept the Large-Scale Acquisition by comparing and considering the Large-Scale Acquisition offer against the opinions and alternative plans presented by the Board of Directors.

However, even in cases in which the Large-Scale Acquirer complies with the Large-Scale Acquisition Rules, if the Board of Directors determines that the Large-Scale Acquisition could cause damage from which it will be difficult for the Company to recover or otherwise significantly damage the Company's corporate value and the common interests of shareholders, the Board of Directors may take certain countermeasures to protect the Company's corporate value and the common interests of shareholders, as described in I above. In addition, the Independent Committee will have the power to add a provision stipulating that the will of the shareholders be confirmed in advance of the invocation of countermeasures.

Specifically, the following types of cases would fall into this category.

- (1) Cases in which a Large-Scale Acquisition that poses the risk of materially damaging the Company's corporate value and the common interests of shareholders due to any of the following actions i. through iv.
 - i) Cases in which the Large-Scale Acquirer has no intention of truly participating in the management of the company and makes the Large-Scale Acquisition with the sole purpose of causing the company's related parties to purchase the shares at an inflated price
 - ii) Cases in which the Large-Scale Acquirer makes the Large-Scale Acquisition for the purpose of implementing so-called scorched-earth management, which would include actions such as temporarily controlling management of the Company and thereby facilitating the transfer to said Large-Scale Acquirer, companies in its group or other parties of components essential to business management of the Company: e.g., know-how, trade secret information, major business partners, customers, etc.
 - iii) Cases in which the Large-Scale Acquisition is judged to be made for the purpose of diverting the Company's assets to secure or repay the debts of the Large-Scale Acquirer, its group companies or other parties.
 - iv) Cases in which the Large-Scale Acquisition is judged to be made for temporarily controlling the management of the company and forcing it to sell or otherwise dispose of real estate, securities and other high-value assets, and using the profits from the disposal to temporarily pay high dividends, or to sell the shares at a high price by taking advantage of the opportunity afforded by the sharp rise in the share price due to temporary high dividends.
- (2) Cases in which a method of purchase of the Company's shares proposed by the Large-Scale Acquirer restricts the opportunity of shareholders or their freedom to make a judgment, and which would be judged to in effect pose the risk of forcing shareholders to sell their shares in the Company. This would include a method such as the so-called coercive two-stage buy-out (i.e., where the acquirer does not solicit the purchase of all the shares in the initial purchase, but sets unfavorable or unclear conditions for the second stage of the purchase in a tender offer or other acquisition approach to shares).
- (3) Cases in which it is reasonable to believe that the terms of the purchase of the Company's shares proposed by the Large-Scale Acquirer (e.g. the price and type of the purchase offer, the basis for calculating the amount of the offer, the timing of the purchase, etc.) can be considered to be markedly insufficient or inappropriate in light of the Company's corporate value.
- (4) Cases in which it is judged that the acquisition of control by the Large-Scale Acquirer poses the risk of consequences that are clearly detrimental to the corporate value of the Company and the common interests of its shareholders. This judgment would be based on reasons such as possible destruction of the Company's corporate culture and relationships with customers, employees, business partners, suppliers, and local communities, as well as the risk of grave damage to the interests of the Company's shareholders, customers, employees, and other stakeholders.
- (5) Cases in which it is reasonable to believe that the Large-Scale Acquirer would not be an appropriate controlling shareholder of the Company from the viewpoint of public order and morals due to reasons such as the Large-Scale Acquirer's management or investors including

persons connected with antisocial forces.

- (6) Cases in which it is judged that the corporate value of the Company would be clearly more inferior if the Large-Scale Acquirer acquires control of the Company than if it does not.
- (7) Cases consistent with (1) through (6) above in that the corporate value of the Company and the common interests of its shareholders would be markedly compromised.

III. Resolution by the Board of Directors and Confirmation of the Will of Shareholders

In the event that a Large-Scale Acquisition has been conducted without compliance with the Large-Scale Acquisition Rules, or in the event that a Large-Scale Acquisition is deemed clearly detrimental to the corporate value and the common interests of shareholders, the Board of Directors shall respect the recommendation of the Independent Committee to the maximum extent and render a resolution about whether or not to invoke countermeasures and/or other necessary resolutions.

If the Independent Committee, in recommending the implementation of a countermeasure, adds a provision to the effect that the shareholders' will should be confirmed in advance, the Board of Directors shall, unless it is extremely difficult to hold such a meeting from a practical standpoint, hold a general meeting of shareholders (hereinafter referred to as the "General Meeting to Confirm the Will of Shareholders") to confirm the will of shareholders within the shortest time practical and submit a proposal for the invocation of countermeasures. The General Meeting to Confirm the Will of Shareholders may be held in conjunction with the Annual General Meeting of Shareholders or the Extraordinary Meeting of Shareholders. If the Board of Directors decides to hold the General Meeting to Confirm the Will of Shareholders, the Board Assessment Period shall be terminated at that time. If said General Meeting to Confirm the Will of Shareholders passes a proposal for invocation of countermeasures, the Board of Directors of the Company shall pass a resolution for implementation of the countermeasures and take necessary procedures in accordance with the decision made at the General Meeting to Confirm the Will of Shareholders. Conversely, if a proposal for the invocation of countermeasures is rejected at said General Meeting to Confirm the Will of Shareholders, the Board of Directors of the Company shall pass a resolution for non-implementation of the countermeasures.

If the Board of Directors of the Company passes the above resolution, the Company shall disclose the Board of Directors' opinion and the reasons for that opinion, as well as other information deemed appropriate, in a timely and appropriate manner and in accordance with laws and regulations and the rules of the relevant stock exchanges.

IV. Suspension or Discontinuation of the Invocation of Countermeasures

Even after the recommendation for invocation of countermeasures has been made by the Independent Committee, if the Large-Scale Acquisition is withdrawn or if there is any change in the facts on which the decision about the recommendation was based, the Board of Directors may, while respecting the recommendation of the Independent Committee to the maximum extent possible, decide to suspend implementation of the countermeasures or take otherwise similar action. If the above resolution is passed, the Company shall disclose the Board of Directors' opinion and the reasons for such opinion, as well as other information deemed appropriate, in a timely and appropriate manner and in accordance with laws and regulations and the rules of the relevant stock exchanges.

5. Impact on Shareholders and Investors

I. Other Factors such as the Impact on Shareholders and Investors at the Time of Renewal of the Policy

As no share options will be issued at the time of the renewal of the Policy, there will be no direct or concrete impact on the rights of shareholders and investors.

By providing the information necessary for shareholders to decide whether or not to accept the Large-Scale Acquisition, as well as the opinion on this and other related matters such as alternatives to the Large-Scale Acquisition of the Board of Directors as stewards of management of the Company, there are two objectives of the Policy. One objective is to provide shareholders with the opportunity to be able to fully examine the proposal of the Large-Scale Acquirer and make an appropriate decision about whether or not to accept the proposal. The other objective is to guarantee the opportunity to be provided with an alternative proposal. We believe that the establishment of the Policy is in the best

interest of shareholders and investors, as it is predicated on shareholders and investors being able to make the appropriate investment decision.

II. Impact on Shareholders and Investors at the Time of the Invocation of Countermeasures

Regardless of whether or not the Large-Scale Acquirer complies with the Large-Scale Acquisition Rules, when the Large-Scale Acquisition is deemed as possibly causing irreparable damage to the Company, and when the Board of Directors determines that the Large-Scale Acquisition will significantly damage the Company's corporate value and the common interests of shareholders, for the purpose of protecting the corporate value and the common interests of shareholders, the Board of Directors may implement an allotment of share options without contribution to shareholders who hold the shares in the Company on a separately set allotment day in proportion to the number of shares they hold. If shareholders who receive such an allotment follow the procedures described in III below within the prescribed exercise period, no dilution of shares will occur. In the event the same procedure is not followed, dilution of the Company's shares held by the shareholders will occur as a result of the exercising of the stock acquisition rights by other shareholders. However, if the Company follows the procedure to acquire stock acquisition rights in exchange for the Company's shares, such dilution will not occur because the shareholders will acquire the Company's shares in exchange for the allotment of share options without contribution by the Company, even without following the procedures described in III below. However, if the Board of Directors suspends the issuance of share options or acquires the issued share options free of charge, there will be no dilution of the value of each share. Therefore, shareholders or investors who traded on the assumption that the value of the Company's shares will be diluted on after the ex-rights date of the gratis allocation of such share options may suffer unforeseen losses due to fluctuations in the share price.

In the event that the Board of Directors of the Company decides to invoke specific countermeasures against such a Large-Scale Acquisition, the details of the countermeasures will be promptly disclosed in a timely and appropriate manner in accordance with laws and regulations and stock exchange rules, etc.

III. Procedures Required of Shareholders due to the Invocation of Countermeasures

In the event that share options are issued through an allotment of share options without contribution as a possible countermeasure, share options will be allotted to shareholders who are recorded in the final register of shareholders on the day of allotment determined by the Board of Directors, so it is necessary that recording in the register of shareholders be completed by the record date of allotment in order to receive the allocation of share options.

In addition, in the event that shares are acquired through the exercise of share options, it may be necessary to pay a certain cash amount within a specified period. Details of such procedures will be separately announced in accordance with laws and regulations when the share options are actually issued.

6. Commencement of Application of the Policy and the Period It Will Be in Effect

Subject to the approval of shareholders at the General Meeting of Shareholders, the Policy shall become effective as of the close of the General Meeting of Shareholders and remain in effect until the close of the Annual General Meeting of Shareholders for the last fiscal year ending within three years. The Company plans to ask shareholders to vote on whether or not to continue the Policy at the Annual General Meeting of Shareholders at the time of expiration of the effective period. However, even before the expiration of the effective period, the Policy can be abolished by a resolution of the General Meeting of Shareholders or by a resolution of the Board of Directors. Should the establishment or amendment of related laws and regulations, changes in response by securities exchanges and other related ministries and agencies, or other factors have impact on ensuring and enhancing the Company's corporate value and the common interests of shareholders, the Policy is subject to amendment or revision by the Board of Directors as necessary. In the event that the Policy is abolished, amended, or changed, the Company will promptly disclose the pertinent facts and other matters such as the actual changes, as well as other necessary matters.

(Note 1) The term "Specified Group of Shareholders" shall mean the holders (as defined in Article

27-23(1) of the Financial Instruments and Exchange Act, including holders based on Paragraph 3 of the same Article) of Share Certificates, etc. (as defined in Article 27-23(1) of the same Act) of the Company and their joint holders (as defined in Article 27-23(5) of the same Act, and those deemed as joint holders in accordance with Paragraph 6 of the same Article), and persons who purchase (as defined in Article 27-2(1) of the same Act, including those made in a financial instruments exchange market) the Company's share certificates, etc. (as defined in Article 27-2(1) of the same Act) and those in a special relationship with the person (refer to Person in Special Relationship specified in Article 27-2(7) of the same Act).

(Note 2) In accordance with the specific purchase method of a Specified Group of Shareholders, the percentage of voting rights shall mean (i) the holding ratio of share certificates, etc. (as defined in Article 27-23(4) of the Financial Instruments and Exchange Act; in this case, the number of share certificates, etc., held by joint holders (refer to the number of Share Certificates, etc., held as stipulated in the same paragraph) shall also be taken into account in the calculation) held by the holder in the case where the Specified Group of Shareholders is a holder and a joint holder of the Company's Share Certificates, etc. (as defined in Article 27-23(1) of the same Act), or (ii) the total holding ratio of share certificates, etc. (as defined in Article 27-2(8) of the same Act) held by the Large-Scale Acquirer and Person in Special Relationship in the case where the Specified Group of Shareholders is a Large-scale Acquirer of the Company's share certificates, etc. (as defined in Article 27-2(1) of the same Act) and Person in Special Relationship with the Acquirer. In calculating each Holding Ratio of Share Certificates, etc., the total number of voting rights (specified in Article 27-2(8) of the same Act) and shares issued (specified in Article 27-23(4) of the same Act) shall be determined by referring to the most recently filed report from among the filed securities report, filed quarterly report, and filed treasury stock purchase status report.

(Note 3) Share certificates, etc., shall refer to Share Certificates, etc., specified in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act.

Attachment 1

Summary of the Independent Committee

- The purpose of the Independent Committee with respect to the Response Policy shall be to ensure the appropriateness of its operation along with the fairness and transparency of the decisions made by the Board of Directors in the event of a large-scale acquisition.
- The Independent Committee shall be established by a resolution of the Board of Directors.
- The Independent Committee shall have at least three members.
- Members of the Independent Committee shall be appointed by the Board of Directors based on the resolution from among the following persons.
 - (1) Outside Directors (including substitute Outside Directors)
 - (2) Outside Auditors (including substitute Outside Auditors)
 - (3) A person who is independent of the Company's management team that executes business operations on behalf of the Company, such as an experienced corporate manager, lawyer, accountant, or similar person
- The term of office of each member of the Independent Committee shall expire at the conclusion of the Annual General Meeting of Shareholders to be held in 2025. However, this shall not apply if otherwise determined by a resolution of the Board of Directors of the Company. In addition, if a member of the Independent Committee who is an Outside Director or Outside Auditor ceases to be an Outside Director or Outside Auditor (except in the case of reappointment), the term of office as a member of the Independent Committee shall also end at the same time.
- Resolutions of the Independent Committee shall, in principle, be adopted by a majority of the votes of all the members of the Independent Committee present. However, in case of unavoidable circumstances, resolutions of the Independent Committee shall be adopted by a majority of the votes of the members of the Independent Committee in attendance at a meeting where a majority of the members of the Independent Committee must be present.
- Each member of the Independent Committee may convene a meeting of the Independent Committee at any time in the event of a large-scale acquisition.
- The Independent Committee may, at the Company's expense, obtain advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts).
- In order to gather necessary information, the Independent Committee may request the attendance of the Company's Directors, Auditors, employees, and any other persons the Independent Committee deems necessary, and may request explanations regarding any matters the Independent Committee deems necessary.
- The Independent Committee shall make recommendations with respect to matters on which the Board of Directors of the Company has consulted the Independent Committee concerning matters on which the Board of Directors of the Company should make decisions.

Attachment 2

Independent Committee Members: Names and Personal Records

The four individuals below are scheduled to act as independent committee members for our policy update.

Kinya Naito

Personal record: April 1986 Admitted to the bar
March 1999 Established Naito Law Office
June 2003 Outside Audit & Supervisory Board Member, Ikko Corporation (currently J Trust Co., Ltd.)
February 2004 Established Mizuho Partners Law Office
April 2012 Vice President, Osaka Bar Association
Executive Governor, Kinki Federation of Bar Associations
April 2014 Part-time Auditor, National University Corporation Osaka University
June 2016 Outside Auditor, the Company
Outside Director, FALCO HOLDINGS Co., Ltd. (to present)
April 2017 Established Naito Law Office (to present)
June 2017 Outside Director, the Company (to present)
April 2019 Member of Personnel Inspection Commission, Osaka Prefectural Government
January 2020 Chairman, Development Investigation Committee, Osaka City

Keiko Yamahira

Personal record: April 1983 Joined Kubota House Co., Ltd. (currently Sanyo Homes Corporation)
April 2010 Officer, SANYO Homes Corporation (currently Sanyo Homes Corporation)
June 2011 Director, Executive Officer
June 2012 Director, SANYO Reform Corporation (currently Sanyo Reform Corporation) (concurrent)
June 2013 Director & Senior Executive Officer, Sanyo Homes Corporation
Director, SunAdvance, Inc. (concurrent)
Director, Sanyo Homes Community Corporation (concurrent)
June 2015 President & Director, Sanyo Homes Corporation
April 2017 Chairman and Representative Director, Sanyo Homes Community Corporation
April 2019 Advisor, the Company
June 2019 Outside Director of the Company (to present)
Outside Director, Fujitec Co., Ltd. (to present)
June 2021 Outside Director, Takara Leben Co., Ltd. (to present)
(Keiko Yamahira is scheduled to resign from office as Outside Director of Fujitec Co., Ltd. on June 23, 2022.)
(Keiko Yamahira is scheduled to assume office as Outside Director of Shinagawa Refractories Co., Ltd. on June 29, 2022.)

Junko Kawano (name on the family registry is Junko Yamanouchi)

Personal record:

April 1986 Joined Recruit Co., Ltd.
October 1991 Deputy Head Editor of Shukan Jutaku Joho, Japan's housing magazine
January 1997 Head Editor of Travail, Japan's first career change magazine for

	women
April 2006	Leader of Women's Life & Career Research Team (concurrent position)
June 2008	Retired from Recruit Co., Ltd.
July 2008	Joined Sumitomo Corporation Lifestyle & Retail Business Division
October 2008	Leader of Transmedia Team
April 2012	Leader of Global Education Business Team
February 2013	Director, Institute of Global Human Capital Strategies Co., Ltd. (concurrent position)
June 2017	Retired from Sumitomo Corporation
March 2018	Established Kawano Junko Office (to present) Chief Marketing Officer, Life Shift Japan Co., Ltd.
September 2019	Board Member, Non-Profit Organization Tokyo International Progressive School (to present)
April 2020	Senior Researcher of Keio Research Institute at SFC (to present)
June 2021	Outside Director of the Company (to present)
December 2021	Director and Chief Marketing Officer, Life Shift Japan Co., Ltd. (to present)
April 2022	Outside Director, DyDo Group Holdings, Inc. (to present)

Seiji Nishikawa
Personal record:

April 1980	Joined Nippon Telegraph and Telephone Public Corporation (currently Nippon Telegraph and Telephone Corporation)
July 1987	Lead Engineer, Mobile Communications Division, Nippon Telegraph and Telephone Corporation
April 1992	Chief Engineer, Information Systems Department, Mobile Communications Division
July 1992	Chief Engineer, Information Systems Department, NTT Mobile Communications Network, Inc. (currently NTT DOCOMO, INC.)
April 2000	Chief Engineer, Information Systems Department, NTT DoCoMo, Inc. (currently NTT DOCOMO, INC.)
October 2001	Executive Chief Engineer, Information Systems Department
June 2003	Department Manager, Information Systems Department
June 2006	Department Manager, Information Systems Department and Executive Officer Director, NTT DoCoMo Kyushu, Inc. (currently NTT DOCOMO, INC.) (concurrent position)
June 2012	Department Manager, Information Systems Department and Chief Information Officer
June 2013	President and Chief Executive Officer, DOCOMO Systems, Inc. (concurrent position)
March 2021	Member of the Mizuho Bank's independent System Failure Special Investigative Committee
June 2022	Scheduled to become an Outside Director of the Company

The individuals listed above have no direct stake in the Company.

As required by the Tokyo Stock Exchange for the protection of ordinary shareholders, we have registered Kinya Naito, Keiko Yamahira, and Junko Kawano as independent directors of the Company. If Seiji Nishikawa's selection is approved as an outside director of the Company at the General Meeting of Shareholders, he will also be registered as an independent director with the Tokyo Stock Exchange.

Attachment 3

Summary of the Allotment of Share Options without Contribution

1. Shareholders to whom share options shall be granted and the terms and conditions of their issuance

The Company shall allot one (1) share option for every one (1) common share in the Company held by the shareholders recorded in the final shareholders' register as of the allotment date determined by the Board of Directors of the Company (excluding, however, the number of common shares of the Company held by the Company as of the same date).

2. Type and number of shares to be issued upon exercise of the share options

The type of shares to be issued upon the exercise of share options shall be common shares in the Company, and the number of shares to be issued upon exercise of each share option shall be determined separately by the Board of Directors of the Company within the authorized limit at the time of the resolution to issue such share options.

3. Issue price of share options

The issue price of share options shall be without contribution.

4. Amount to be paid upon exercise of share options

The amount to be paid upon the exercise of share options shall be one (1) yen or more, which shall be separately determined by the Board of Directors of the Company in the resolution for issuance of share options.

5. Restriction on transfer of share options

Acquisition of share options by transfer shall require the approval of the Board of Directors of the Company.

6. Exercise period for share options, etc.

The period during which share options may be exercised and other necessary matters shall be separately determined by the Board of Directors of the Company.

7. Conditions for the exercise of share options

Conditions for the exercise of share options shall be stipulated, including that exercise shall not be permitted for persons belonging to the Specified Group of Shareholders whose ratio of voting rights is 20% or more. Details shall be separately determined by the Board of Directors of the Company.

8. Acquisition of share options by the Company

- (i) The Company may acquire all share options without contribution on any date separately determined by the Board of Directors of the Company if the Board of Directors of the Company deems it appropriate for the Company to acquire share options up to the day before the commencement date of the exercise period of share options.
- (ii) On a date separately determined by the Board of Directors, the Company may acquire all unexercised share options held by persons other than those who are not permitted to exercise share options under the exercise conditions in 7 above by the business day preceding such date as determined by the Board of Directors, and, in exchange, issue the number of shares of the Company to be issued for each share option. The Company may acquire such share options more than once.

In the event that the Company acquires share options held by persons who are not permitted to exercise their share options, no money or other economic consideration shall be issued.

9. The provisions of laws and regulations cited above are based on the provisions in force as of March 31, 2022. In the event that it becomes necessary to revise any of the provisions or the meanings of terms, etc., set forth in the above provisions due to the establishment, amendment, abolishment, etc., of laws

and regulations after the date hereof, the provisions or the meanings of terms, etc., set forth in the above provisions may be read or revised within reasonable limits as appropriate, taking into consideration the purpose of such establishment, amendment, abolishment, etc.

Attachment 4

Company Share Information

As of March 31, 2022

1. Total number of authorized shares 99,000,000 shares
2. Total number of outstanding shares 28,000,000 shares
3. Number of shareholders 54,977
4. Major shareholders (top 10)

Shareholder	Number of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,695,500	10.04
Joshin Denki Employee Shareholding Association	1,790,146	6.67
The Dai-ichi Life Insurance Company, Limited	1,350,000	5.03
Resona Bank, Limited	1,200,010	4.47
Custody Bank of Japan, Ltd. (trust account)	896,975	3.34
Sharp Corporation	542,500	2.02
Sompo Japan Insurance Inc.	506,500	1.88
Daikin Industries, Ltd.	447,792	1.66
Sumitomo Mitsui Trust Bank, Limited	420,000	1.56
Mitsubishi UFJ Trust and Banking Corporation	400,000	1.49

Note: The percent of shareholding ratio is calculated excluding treasury stock (1,178,398 shares).