

Note: This Convocation Notice is a translation of Japanese language original for convenience purpose only, and in the event of any discrepancy, the Japanese language original shall prevail.

Securities Code: 6961

June 1, 2021

To Our Shareholders:

2-30-1 Namiki, Kawaguchi-shi, Saitama

Enplas Corporation

Daisuke Yokota, President

Notice of the 60th Annual Meeting of Shareholders

Enplas Corporation (“Company”) hereby notifies that the Company will hold the 60th Annual Meeting of Shareholders as described below.

Instead of attending the meeting on the date, you may also exercise your voting rights in writing or through the Internet. We kindly request you to read the following Reference Document for the Annual Meeting of Shareholders, and exercise your voting rights in accordance with the guidance on pages 2 and 3 hereof by 5:00 p.m. (JST), June 22, 2021 (Tuesday).

Sincerely yours,

1. **Date:** 10:00 a.m., June 23 (Wednesday), 2021
2. **Venue:** 2-2, Shintoshin, Chuo-ku, Saitama-shi, Saitama
Hotel Brillante Musashino
2nd Floor, Emerald

- The venue is different from the one in the last year. Please make sure to attend at the right venue. The map is attached at the last page of this notice (*omitted from this translation*).
- A notice will be posted on the Company’s website (please refer to page 3) when it becomes likely that the planned venue may not be used due to the growing spread of infections of the coronavirus disease (COVID-19).

• In light of the growing spread of infections of the coronavirus disease (COVID-19), we will take preventive measures against infections at this Annual Meeting of Shareholders, such as staff members wearing masks and providing alcohol disinfectants.

• When our shareholders attend this Annual Meeting of Shareholders, please confirm the situation on the day of the meeting and carefully take note of your own health condition.

• Since the year before last, no souvenirs have been prepared for shareholders attending the meeting.

Thank you for your understanding.

3. Purposes:

- Items to be reported:**
1. The business report, the consolidated financial statements, and the results of consolidated financial statement audited by the Accounting Auditor and the Audit Committee for the 60th business period (April 1, 2020 to March 31, 2021)
 2. The non-consolidated financial statements for the 60th business period (April 1, 2020 to March 31, 2021)

Items to be resolved:

- Agenda Item No. 1:** Election of Three (3) Directors (excluding Audit Committee members)
- Agenda Item No. 2:** Election of Four (4) Directors who are Audit Committee members
- Agenda Item No. 3:** Determination of Remuneration System for the Grant of Restricted Stock to Directors (excluding Directors who are Audit Committee members, and Outside Directors)
- Agenda Item No. 4:** Renewal of Countermeasures (Takeover Defense) in Response to Large-scale Purchase of Enplas Shares, etc.

4. Information on Exercise of Voting Rights.

- (1) If your voting rights are exercised through a voting rights exercise form, and you submit a voting rights exercise form without indicating your vote for or against each of the proposals, your vote will be counted as “in favor” for such proposal.
- (2) If your voting rights are exercised both by a voting rights exercise form and through the Internet, voting through the Internet shall prevail.
- (3) If your voting rights are exercised more than once through the Internet, your final vote shall prevail.
- (4) Please complete and send back your voting rights exercise form to make sure it is received by the Company by 5:00 p.m. (JST), Tuesday, June 22, 2021.
- (5) Please exercise your voting rights through the Internet by 5:00 p.m. (JST), Tuesday, June 22, 2021.
- (6) If you do not attend the Annual Meeting of Shareholders, you may attend through another shareholder holding voting rights of the Company as your proxy; provided, however, that a document verifying the proxy must be submitted.

5. Information on Exercise of Voting Rights through the Internet

- (1) The exercise of voting rights through the Internet (personal computers, mobile phones, and smart phones) may be made only by utilizing the following voting-rights-exercise website designated by the Company.
The voting-rights-exercise website <https://soukai.mizuho-tb.co.jp/>
- (2) When using personal computers or mobile phones
Please access the website above, and exercise the voting rights following the guidance of the screen by using “voting rights exercise code” and “password” provided in the voting rights exercise form.
If you use a mobile phone with the bar code reading function, you can access the voting-rights-exercise website by reading “QR code for mobile phone” provided in the enclosed voting rights exercise form.
- (3) When using smart phones
Please read with your phone “Log in QR code for the voting-rights-exercise website for smart phones” provided in the enclosed voting rights exercise form, and exercise the voting rights following the guidance of the screen. In this case, “voting rights

exercise code” or “password” is not required.

If you want to change the content of the exercise of the voting rights after the voting rights were once exercised, the QR code needs to be read again and then “voting rights exercise code” and “password” provided in the voting rights exercise form need to be entered.

(QR code is a registered trademark of Denso Wave Inc.)

- (4) The exercise of voting rights through the Internet may not be made depending on your personal terminal and your Internet environment.

Please note that for the access to the “Website for Voting Rights Exercise,” communication charges for telephone, etc. and access charges for providers will be borne by each shareholder.

For inquiries about exercise of voting rights through the Internet
Administrator of Shareholder Registry: Securities Agent Business Department of
Mizuho Trust & Banking Co., Ltd.
Phone: 0120-768-524 (Toll free)
Business Hours: 9:00 – 21:00 on weekdays

6. Information on Disclosure on the Internet

- (1) Among the documents that should be attached to the Notice of the Annual Meeting of Shareholders, the following matters are provided on the Company’s website pursuant to applicable laws and regulations, and the Articles of Incorporation of the Company; therefore, they are not attached to this Notice of the Annual Meeting of the Shareholders:

- (a) System to Ensure Appropriateness of Operations of the Company, and Overview of Implementation of System to Ensure Appropriateness of Operations of the Company
- (b) Basic Policy for Controlling the Company
- (c) Notes to the Consolidated Financial Statements
- (d) Notes to Specific Items of the Non-consolidated Financial Statements

Of the documents above, “System to Ensure Appropriateness of Operations of the Company,” “Overview of Implementation of System to Ensure Appropriateness of Operations of the Company” and “Basic Policy for Controlling the Company” have been audited as part of the business report when the Audit Committee prepared the audit report.

Of the documents above, “Notes to the Consolidated Financial Statements” and “Notes to Specific Items of the Non-consolidated Financial Statements” have been audited as part of the consolidated and the non-consolidated financial statements when the Audit Committee and the Accounting Auditor prepared the audit report.

- (2) If there are any revisions to the Reference Document for the Annual Meeting of Shareholders, the business report, and/or the consolidated and the non-consolidated financial statements, such revisions will be listed on the Company’s website.
- (3) The voting results will be posted on the Company’s website in lieu of sending written notice of voting results to shareholders.

The Company’s website: <https://www.enplas.co.jp>

When attending the meeting, we kindly request that you submit the enclosed voting rights exercise form to the receptionist at the venue.

Reference Document for Annual Meeting of Shareholders

Meeting Agenda and Matters for Reference

The Company has positioned the strengthening of corporate governance as one of the most important management objectives in order to continuously increase its corporate value, and has been actively working to improve management transparency and strengthen supervisory functions. Furthermore, in order to put into practice the “pursuit of novelty” which is the lifeline of the Company’s management, the majority of the Company’s directors is made up of independent outside directors, which leads to heighten the sense of discipline throughout the management and strengthen supervisory functions of the board of directors. Through these efforts, the Company will enhance its corporate value over the medium to long term through practical corporate governance.

To Strengthen Corporate Governance

• Increasing the number of outside directors: the majority of directors is made up of independent outside directors (Agenda Item No. 1 and Agenda Item No. 2) *¹

※ Percentage of independent outside directors in cases where Agenda Item No. 1 and Agenda Item No. 2 are approved at the Annual Meeting of Shareholders as originally proposed:
Four (4) independent outside directors / seven (7) directors) (57.1%)

• Changing the chairperson of the Audit Committee to an independent outside director*¹

※ Percentage of independent outside directors at the Audit Committee in cases where Agenda Item No. 2 is approved at the Annual Meeting of Shareholders as originally proposed:
Three (3) independent outside directors / four (4) members (75.0 %)

• Establishing the Nomination and Compensation Advisory Committee (chaired by an independent outside director) *¹

(Establishing the Nomination and Compensation Advisory Committee after the conclusion of this Annual Meeting of Shareholders)

※ Percentage of independent outside directors at the Nomination and Compensation Advisory Committee:
Two (2) independent outside directors / three (3) members (66.7 %)

• Number of female officers (as of April 1, 2021) *²

※ one (1) Executive Officer

• Introduction of Restricted Stock Remuneration System as a long-term incentive (Agenda Item No. 3)*³

• Evaluation of effectiveness of the board of directors conducted by a third-party institution by way of interviews *⁴

Matters related to the Corporate Governance Code

*¹: Principle 4.8 (Effective Use of Independent Directors)

*²: Principle 2.4 (Ensuring Diversity, Including Active Participation of Women)

*³: Supplementary Principle 4.2.1 (Management Remuneration Systems Operating as a Healthy Incentive)

*⁴: Supplementary Principle 4.11.3 (Analyzing and Evaluating Effectiveness of the Board as a Whole)

Areas that the Company particularly expects of prospective directors and executive officers

Directors	Corporate Management	ESG Sustainability	Finance and Accounting	Legal, Risk Management Compliance	Global	R & D New Business Development	Manufacturing Technology	Marketing (Sales)	Organization Labor Management HR Development
Daisuke Yokota	•				•	•	•	•	
Shigeya Fujita		•	•	•					•
Masanori Kazamaki*						•		•	•
Toshimasa Iue*	•		•	•	•			•	
Masao Hisada*	•	•	•	•	•				•
Minoru Amoh*	•				•	•	•	•	•
Kazuyuki Toma				•	•				•

* The Company registered Mr. Masanori Kazamaki, Mr. Toshimasa Iue and Mr. Masao Hisada with the Tokyo Stock Exchange as an Independent Director pursuant to the rules of the Tokyo Stock Exchange. If Mr. Minoru Amoh takes office of the Director who is an Audit Committee member, the Company plans to register him with the Tokyo Stock Exchange as an Independent Director pursuant to the rules of the Tokyo Stock Exchange.

Executive officers	Corporate Management	ESG Sustainability	Finance and Accounting	Legal, Risk Management Compliance	Global	R & D New Business Development	Manufacturing Technology	Marketing (Sales)	Organization Labor Management HR Development
Shigeo Kutsuzawa	•					•		•	
Yuji Horikawa			•			•		•	
Mikihiro Sugibuchi	•				•	•		•	
Shoji Miyasaka		•					•		•
Keiji Sakai						•	•	•	
Takashi Ogura			•	•					
Tai Fukizawa					•	•	•		
Yoichi Takeuchi						•	•		
Mayumi Hamano		•							

Agenda Item No. 1: Election of Three (3) Directors (excluding Audit Committee members)

The term of office for all four (4) Directors (excluding Audit Committee members) will expire at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company requests the election of three (3) Directors (excluding Audit Committee members).

This item was discussed by the Audit Committee and no objection was raised.

The candidates for Directors (excluding Audit Committee members) are as follows.

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
1	Daisuke Yokota (November 4, 1967) < Reappointment >	<p>Aug. 1993 Joined the Company</p> <p>Apr. 2000 President, ENPLAS (U.S.A.), INC.</p> <p>Jun. 2003 Director, the Company</p> <p>Apr. 2004 Director, General Manager, Engineering Plastic Business Department, the Company</p> <p>Apr. 2006 Managing Director, Chief General Manager, Operations, General Manager, Plastic Optics Department, the Company</p> <p>Apr. 2007 Managing Director, Chief General Manager, Operations, the Company</p> <p>Apr. 2008 President, the Company (incumbent)</p>	1,370,417 shares
<p>Number of years in service: 18 at the conclusion of this Annual Meeting of Shareholders</p> <p>Attendance of the Board of Directors meetings: 15 out of the 15 meetings (100%)</p> <p>Reason for the nomination: Mr. Daisuke Yokota has managed the Company group by demonstrating strong leadership since his appointment as President and Representative Director. The Company nominated him as a candidate for a Director because it appreciates his global business performance and vast knowledge and experience of general corporate management and thus expects he will continue to contribute to the Company's sustainable growth and enhancement of corporate value.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
2	Shigeya Fujita (December 24, 1972) < Reappointment >	Mar. 2003 Joined the Company Apr. 2009 Vice President, Enplas (U.S.A.), Inc. Apr. 2013 Manager of Corporate Center, Corporate & Administration Division Apr. 2014 Executive Officer, Manager of Corporate Center, Corporate & Administration Division Apr. 2015 Executive Officer, Division Manager of Group Financial Office, Corporate & Administration Division Apr. 2017 Executive Officer, Division Manager of Corporate Center, Corporate & Administration Division Apr. 2019 Executive Officer, General Manager of MSD Division Jun. 2019 Director, Management Executive Officer, Manager of Corporate Center, the Company Apr. 2020 Director, Management Executive Officer, General Manager of Corporate Planning Division, the Company (incumbent)	4,000 shares
	Number of years in service: 2 at the conclusion of this Annual Meeting of Shareholders Attendance of the Board of Directors meetings: 15 out of the 15 meetings (100%) Reason for the nomination: The Company nominated Mr. Shigeya Fujita as a candidate for a Director because he has assumed important positions such as Vice President of ENPLAS(U.S.A.), INC., a subsidiary of the Company, General Manager of MSD Division, and General Manager of Corporate Planning Division, and the Company believes that he will continue to leverage such knowledge and experience to supervise the management of the Group.		

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
3	Masanori Kazamaki (March 8, 1949)	Apr. 1971 Joined Nissei Sangyo (current Hitachi High-Tech Corporation)	0 shares
	<Reappointment>	Apr. 2008 Managing Officer, the abovementioned company	
<Candidate for Outside Director>	Apr. 2012 Special Assignment Advisor, the abovementioned company		
	Jun. 2015 Outside Director who is an Audit Committee member, the Company		
	Jun. 2019 Outside Director who is not an Audit Committee member, the Company (incumbent)		
	<p>Number of years in service (including number of years in service of Outside Director who is an Audit Committee member): 6 at the conclusion of this Annual Meeting of Shareholders</p> <p>Attendance of the Board of Directors meetings: 15 out of the 15 meetings (100%)</p> <p>Reason for the nomination and summary of expected roles: The Company nominated Mr. Masanori Kazamaki as a candidate for an Outside Director because he has assumed important positions at Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation) and has wide knowledge and experience in the marketing (sales) and the resin material industry. The Company believes that he will continue to leverage such knowledge and experience to provide supervision on the execution of duties by directors from a specialist perspective, particularly regarding marketing (sales).</p>		

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Mr. Masanori Kazamaki is a candidate for a Director (excluding Audit Committee members) and for an Outside Director.
 3. Pursuant to the Articles of Incorporation of the Company and the provision of Article 427, paragraph 1 of the Companies Act, the Company has concluded an agreement with Mr. Masanori Kazamaki to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If Mr. Masanori Kazamaki takes office of the Director (excluding Audit Committee members), the Company plans to continue the aforementioned agreement with him.
 4. The Company registered Mr. Masanori Kazamaki with the Tokyo Stock Exchange as an Independent Director pursuant to the rules of the Tokyo Stock Exchange.
 5. The Company has concluded a contract for officers' liability insurance (D&O insurance) as provided for in paragraph 1 of Article 430-3 of the Companies Act for covering all directors (excluding Audit Committee members) as the insured. If each candidate assumes the position of director (excluding Audit Committee members), such candidate shall become an insured person under such insurance contract. The insurance contract stipulates that directors (excluding Audit Committee members) as the insured will be compensated for losses which they may suffer due to their assumption of responsibilities in relation to the execution of their duties or their receiving a claim pertaining to the pursuit of such responsibilities; provided, however, that there are certain exemptions for the coverage, including that any loss caused by an act that is committed with the knowledge that such act is a violation of laws and regulations will not be compensated. The Company pays all insurance premiums, including those for the special clauses, and the insured will not in

substance bear any insurance premiums. In addition, the insurance contract was renewed on May 1, 2021, in the middle of the term of office of the insured, and if each candidate assumes the position of director (excluding Audit Committee members), such insurance contract will be renewed during the term of their office.

Agenda Item No. 2: Election of Four (4) Directors who are Audit Committee members

The term of office for all three (3) Directors who are Audit Committee members will expire at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company has increased the number of Directors by one (1) for the purpose of strengthening supervisory functions over business execution and further improving management transparency, and requests the election of four (4) Directors who are Audit Committee members.

This agenda item has been approved by the Audit Committee.

The candidates for Directors who are Audit Committee members are as follows.

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
1	Toshimasa Iue (December 3, 1962) <Reappointment> <Candidate for Outside Director>	Apr. 1989 Joined SANYO Electric Co., Ltd. Jun. 1996 Director, the abovementioned company Jun. 2002 Director, Vice President (Representative Director), the abovementioned company Jun. 2005 Director and President (Representative Director), the abovementioned company Jun. 2007 Special Advisor, the abovementioned company Feb. 2010 Vice President and Operating Officer, LIXIL Group Corporation (current LIXIL Corporation) Apr. 2011 Director, Vice President and Operating Officer, LIXIL Corporation Jun. 2016 Director and Executive Vice President, LIXIL Group Corporation (current LIXIL Corporation) Jun. 2018 Outside Director, the Company Jun. 2019 Outside Director who is an Audit Committee member, the Company (incumbent) Aug. 2019 Outside Director, Takara Printing Co., Ltd. (current Takara & Company Ltd.) (incumbent) Jun. 2020 Outside Director who is an Audit Committee member, Torishima Pump Mfg. Co., Ltd. (incumbent) Jun. 2020 Outside Director, Kameda Seika Co., Ltd. (incumbent)	0 shares
Number of years in service (number of years in service including that of Outside Director (excluding Audit Committee members)) 3 at the conclusion of this Annual Meeting of Shareholders Attendance of the Board of Directors meetings: 15 out of the 15 meetings (100%) Attendance of the Audit Committee meetings: 12 out of the 12 meetings (100%) Reason for the nomination and summary of expected roles The Company nominated Mr. Toshimasa Iue as a candidate for an Outside Director who is an Audit Committee member because he has assumed important positions including the representative director at domestically listed companies and has wide experience and knowledge of business management as an executive. The Company believes that he will continue to leverage such knowledge and experience to provide supervision on the execution of duties by outside directors who are Audit Committee members from a specialist perspective, particularly regarding corporate management.			

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
2	Masao Hisada (December 16, 1948) <Reappointment> <Candidate for Outside Director>	Apr. 1972 Joined Hitachi, Ltd. Apr. 2007 Vice President and Executive Officer, the abovementioned company Apr. 2010 Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation) Jun. 2010 Representative Executive Officer, Executive Vice President, Executive Officer and Director, the abovementioned company Apr. 2011 Representative Executive Officer, President, Chief Executive Officer and Director, the abovementioned company Apr. 2015 Director and Executive Officer, the abovementioned company Jun. 2015 Chairman of the Board and Executive Officer, the abovementioned company Apr. 2016 Chairman of the Board, the abovementioned company Jun. 2017 Senior Adviser, the abovementioned company Jun. 2019 Honorary Senior Adviser, the abovementioned company (incumbent) Jun. 2019 Outside Director, ALCONIX Corporation (incumbent) Jun. 2019 Outside Director who is an Audit Committee member, the Company (incumbent)	0 shares
<p>Number of years in service 2 at the conclusion of this Annual Meeting of Shareholders</p> <p>Attendance of the Board of Directors meetings: 15 out of the 15 meetings (100%)</p> <p>Attendance of the Audit Committee meetings: 12 out of the 12 meetings (100%)</p> <p>Reason for the nomination and summary of expected roles: The Company nominated Mr. Masao Hisada as a candidate for an Outside Director who is an Audit Committee member because he has assumed important positions including the representative executive officer of domestically listed companies and has wide experience pertaining to business management and abundant knowledge such as ESG and sustainability and international experience. The Company believes that he will continue to leverage such knowledge and experience to provide supervision on the execution of duties by directors from a specialist perspective, particularly regarding ESG and sustainability.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	
3	Minoru Amoh (December 9, 1951) <New Candidate > <Candidate for Outside Director>	Apr. 1979	Joined DuPont Far East Inc. Japan Representative Office (current DuPont Japan)	0 shares
		Mar. 2000	Director, the abovementioned company	
		Jul. 2005	Director, Vice President, DuPont Japan, Regional Director of Asia-Pacific region, Engineering Polymer Business Division, the abovementioned company	
		Sep. 2006	Representative Director, President, the abovementioned company	
		Jan. 2013	Representative Director, Chairman, the abovementioned company, President, DuPont Asia Pacific Limited	
		Sep. 2014	Honorary Chairman, DuPont Japan	
		Jun. 2015	Outside Director, KITZ Corporation (incumbent)	
		Mar. 2016	Retired from Honorary Chairman, DuPont Japan	
		Mar. 2016	Outside Statutory Auditor, Otsuka Chemical Co., Ltd.	
Mar. 2019	Outside Director, the abovementioned company (incumbent)			
Reason for the nomination and summary of expected roles: The Company nominated Mr. Minoru Amoh as a candidate for an Outside Director who is an Audit Committee member because he has extensive experience and knowledge as a business manager such as serving as the President of the subsidiary of a U.S. listed company in Japan. He has extensive international experience, too. The Company believes that he will leverage such knowledge and experience to provide supervision on the execution of duties by directors from a specialist perspective, particularly regarding business management.				

Candidate No.	Name (Date of birth)	Brief profile, position, and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	
4	Kazuyuki Toma (January 12, 1964) <New Candidate >	Dec. 1988	Joined the Company	4,800 shares
		Apr. 2008	Manager of Global Planning Group, Engineering Plastic Division, the Company	
		Apr. 2009	Manager of 2nd Sales Dept., Sales Division, the Company	
		Oct. 2010	Vice President, Enplas (U.S.A.),Inc.	
		Apr. 2016	President, Enplas (U.S.A.),Inc.	
		Apr. 2017	Deputy General Manager of Mechanics Solution Device Dept., Engineering Plastics Products Division, the Company	
		Apr. 2018	Division Manager, Mechanics Solution Device Division, the Company	
		Apr. 2019	Executive Officer, Head of U.S. Region, Business Division, the Company	
		Apr. 2020	Division Manager, Mechanics Solution Division, Business Division, the Company	
Apr. 2021	Manager of Internal Audit Office, the Company (incumbent)			
Reason for the nominations: The Company nominated Mr. Kazuyuki Toma as a candidate for an Outside Director who is an Audit Committee member because he has extensive experience and knowledge as a business manager such as serving as the Vice President, the President of Enplas (U.S.A.),Inc. and Division Manager of Engineering Plastic Division, a core business of the Company. He has extensive international experience, too. The Company believes that he will leverage such knowledge and experience to secure the proper supervision and the soundness of the management of the Company.				

- Notes: 1. There is no special interest between any of the candidates and the Company.
2. Mr. Toshimasa Iue, Mr. Masao Hisada and Mr. Minoru Amoh are candidates for Directors who are

Audit Committee members and for Outside Directors.

3. If Mr. Minoru Amoh and Mr. Kazuyuki Toma take office of the Directors who are Audit Committee members, the Company plans to conclude an agreement with each of them to limit their liability for damages under Article 423, paragraph 1 of the Companies Act pursuant to the Articles of Incorporation of the Company and the provision of Article 427, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement will be the amount provided for under laws and regulations.
4. Pursuant to the Articles of Incorporation of the Company and the provision of Article 427, paragraph 1 of the Companies Act, the Company has concluded an agreement with each of Mr. Toshimasa Iue and Mr. Masao Hisada to limit their liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If Mr. Toshimasa Iue and Mr. Masao Hisada take office of the Directors who are Audit Committee members, the Company plans to continue the aforementioned agreement with each of them.
5. Although the Company concluded an advisory agreement with Mr. Minoru Amoh from September 2018 to May 2021, the transaction amount was within the scope of the base amount (¥10 million per year) specified in the “Standards for Independence of Outside Directors” attached to the Company’s Corporate Governance Policy, and the Company has determined that the transaction does not affect his independence.
6. The Company registered Mr. Toshimasa Iue and Mr. Masao Hisada with the Tokyo Stock Exchange as Independent Directors pursuant to the rules of the Tokyo Stock Exchange.
7. If Mr. Minoru Amoh takes office of the Director who is an Audit Committee member, the Company plans to register him with the Tokyo Stock Exchange as an Independent Director pursuant to the rules of the Tokyo Stock Exchange.
8. The Company has concluded a contract for officers’ liability insurance (D&O insurance) as provided for in paragraph 1 of Article 430-3 of the Companies Act for covering all directors who are Audit Committee members as the insured. If each candidate assumes the position of director who is an Audit Committee member, such candidate shall become an insured person under such insurance contract. The insurance contract stipulates that directors who are Audit Committee members as the insured will be compensated for losses which they may suffer due to their assumption of responsibilities in relation to the execution of their duties or their receiving a claim pertaining to the pursuit of such responsibilities; provided, however, that there are certain exemptions for the coverage, including that any loss caused by an act that is committed with the knowledge that such act is a violation of laws and regulations will not be compensated. The Company pays all insurance premiums, including those for the special clauses, and the insured will not in substance bear any insurance premiums. In addition, the insurance contract was renewed on May 1, 2021, in the middle of the term of office of the insured, and if each candidate assumes the position of director who is an Audit Committee member, such insurance contract will be renewed during the term of their office.

Agenda Item No. 3: Determination of Remuneration System for the Grant of Restricted Stock to

Directors (excluding Directors who are Audit Committee members, and Outside Directors)

At the 54th Annual Meeting of Shareholders held on June 26, 2015, it was approved that the amount of remuneration for Directors (excluding Audit Committee members) shall not exceed 300 million yen per fiscal year (of which the amount for Outside Directors shall not exceed 50 million yen per fiscal year), and the amount for Directors (Audit Committee members) shall not exceed 100 million yen per fiscal year. Now, the Company would like the shareholders to approve the provision of remuneration for the grant of restricted stock anew to Directors (excluding Audit Committee members, and Outside Directors) (hereinafter referred to as the "Applicable Directors"), which is different from the above remuneration quota, as an incentive to continuously improve the Company's corporate value and for the purpose of promoting further value sharing with the Company's shareholders.

The total amount of monetary remuneration claims provided to Applicable Directors based on this agenda item for the grant of restricted stock shall not exceed 30 million yen per fiscal year, which is considered to be reasonable based on the above objectives. In addition, the specific timing of payment thereof and allocation to each Applicable Director shall be decided by the Board of Directors of the Company.

The current number of Directors (excluding Audit Committee members, and Outside Directors) is three (3). However, if the Agenda Item No.1 is approved and passed as originally proposed, the number of Applicable Directors will be two (2).

Also, pursuant to the resolution of the Board of Directors of the Company, the Applicable Directors shall pay out of all the monetary remuneration claims to be arisen out of this agenda item as properties contributed in kind, and shall, in return, receive the Company's common shares that will be issued or disposed of by the Company, and thereby the total number of common shares of the Company to be issued or disposed of shall be 7,500 or less per year (provided, however, on or after the date on which this agenda item is approved and passed, in the event of a share split (including the allotment of the Company's common shares without consideration) or share consolidation of the Company's common shares, or in any other case that requires an adjustment of the total number of the Company's common shares to be issued or disposed of as a restricted stock, such total number of shares shall be adjusted to the reasonable extent). The amount to be paid-in per share shall be decided by the Board of Directors of the Company to the extent that the amount is not particularly favorable to the Applicable Directors, based on the closing price of the Company's common share on the Tokyo Stock Exchange on the business day immediately preceding the date of relevant resolution of the Board of Directors of the Company (or, if no transaction is made on the said business day, the closing price on the latest trading day prior to the said business day). In the event of the issuance or disposition of the Company's common shares based on this scheme, the Company and each of the Applicable Directors shall conclude a Restricted Stock Allotment Agreement which shall include the following items (hereinafter referred to as the "Allotment Agreement"):

- (1) During the period from the due date for the paid-in to the date on which the Applicable Director loses all of his/her position as a Director of the Company or any other position determined by the Board of Directors of the Company (hereinafter referred to as the "Restricted Transfer Period"), the Applicable Director shall not transfer, provide as security, or otherwise dispose of the Company's common shares allotted under the Allotment Agreement (hereinafter the fore-mentioned shares are referred to as the "Allotted Shares", and the fore-mentioned restriction is referred to as the "Restriction on Transfer").

- (2) In the event that the Applicable Director loses all of the positions as set forth in paragraph (1) above before expiration of the period separately provided for by the Board of Directors of the Company (hereinafter referred to as the "Period of Services Provision"), the Company will automatically acquire the Allocated Shares without consideration, unless the Board of Directors of the Company deems that there are justifiable grounds.
- (3) The Company will lift the Restriction on Transfer for all of the Allocated Shares upon expiration of the Restricted Transfer Period on the condition that the Applicable Director has remained in any of the positions as set forth in paragraph (1) above for the duration of the Restricted Transfer Period; provided, however, that if the Applicable Director loses all of the positions as set forth in paragraph (1) above before expiration of the Period of Services Provision due to a justifiable ground deemed by the Board of Directors of the Company as set forth in paragraph (2) above, the number of the Allocated Shares for which the Restriction on Transfer will be lifted and the timing of the lift of the Restriction on Transfer will be reasonably adjusted as necessary.
- (4) The Company will automatically acquire, without consideration, the Allocated Shares for which the Restriction on Transfer has not been lifted based on paragraph (3) above at the time of expiration of the Restricted Transfer Period.
- (5) In the event that, during the Restricted Transfer Period, a merger agreement under which the Company becomes a non-surviving company, or a share exchange agreement or a share transfer plan or other matters relating to the reorganization, etc. under which the Company becomes a wholly-owned subsidiary is approved at the Annual Meeting of Shareholders of the Company (or, if such reorganization or other matters do not require the approval at the Annual Meeting of Shareholder of the Company, by the Board of Directors of the Company), the Company will, prior to the effective date of such reorganization, etc., lift the Restrictions on the Transfer for the Allotted Shares, the number of which shall be determined to be reasonable by a resolution of the Board of Directors of the Company.
- (6) In the case provided for in paragraph (5) above, the Company will automatically acquire the Allocated Shares without consideration for which the Restriction on Transfer has yet to be lifted even immediately after the lift of the Restriction on Transfer pursuant to paragraph (5) above.
- (7) The method of manifestation of intention and notification under the Allotment Agreement, the method of amending the Allotment Agreement, and other matters provided for by the Board of Directors of the Company shall be the content of the Allotment Agreement.

(Reference)

The Company plans to grant restricted stock which is the same as the restricted stock stated above to the Management Executive Officers, Executive Officers and General Managers of the Company, as well as to the Presidents and Representative Directors of the Company's subsidiaries in Japan on the condition that this agenda item is approved and passed at this Annual Meeting of Shareholders.

Agenda Item No. 4: Renewal of Countermeasures (Takeover Defense) in Response to Large-scale Purchase of Enplas Shares, etc.

The Company has decided to renew the “Countermeasures (Takeover Defense) in Response to Large-scale Purchases of Enplas Shares, etc.” at the meeting of the Board of Directors of the Company held on April 30, 2021 (The countermeasures renewed as above are hereinafter called the “New Plan.”). The Company would like the shareholders to approve the New Plan.

The New Plan has been approved by all of the directors, including outside directors who are Audit Committee members, of the Company at the said meeting of the Board of Director.

1. Necessity for the New Plan

(1) Purpose of Introducing the New Plan

The purpose of introducing the New Plan is to achieve maintenance and improvement of Return on Equity Ratio (ROE) of the Company, and to much more protect and enhance the Company’s corporate value and common interests of the shareholders.

The Board of Directors of the Company believes, as set out in the basic policy with regard to person who controls decisions over company’s financial and business policies, that any person who makes a proposal for an inappropriate Large-scale Purchase or commits any similar actions thereto, which may significantly damage the Company’s corporate value and common interests of the shareholders, is inappropriate as a person who controls decisions over the Company’s financial and business policies. In addition, the Company believes that, when a Large-scale Purchase is conducted, a Large-scale Purchaser should provide the Board of Directors of the Company with necessary and adequate information regarding such Large-scale Purchase in advance in accordance with the Large-scale Purchase Rules that the Company establishes and discloses in advance for judgment of the shareholders, and commence such Large-scale Purchase only after the elapse of a certain evaluation period for the Board of Directors of the Company. The Board of Directors of the Company will promptly commence its consideration of the opinion as the Board of Directors of the Company with respect to the Large-scale Purchase after such information is provided, and will form and publicize its opinion after careful consideration with the advice of a third party who is independent of the Board of Directors of the Company, including a lawyer, a certified public accountant, a certified public tax accountant, a financial advisor, a consultant and other professionals (hereinafter called the “External Professional”). Furthermore, if deemed necessary, the Company will negotiate for improvements of the proposal of the Large-scale Purchaser and present an alternative proposal to the shareholders as the Board of Directors of the Company. Through such a process, the shareholders will be able to consider the proposal of the Large-scale Purchaser and the alternative proposal (if the alternative proposal is presented), with reference to the opinion of the Board of Directors of the Company, and will be given the opportunity to properly determine whether or not to accept such proposal ultimately. Besides, the Company have determined to establish a certain response policy for the case of compliance with the Large-scale Purchase Rules and for the case of non-compliance with the said rules, and to establish the New Plan as a measure to be taken in the case the Large-scale Purchase is conducted by an inappropriate person, in light of the basic policy on the control over the Company.

(2) Necessity for the New Plan

The Company believes that the lifeline of the Company’s management lies in the “pursuit of novelty.” In order to “pursue novelty,” the Company believes it is crucial to build a continuous relationship of trust including joint development with customers and confidentiality. Under such belief, the Company is currently committed to the aggressive expansion of its business base on the basis of its growth plan in light of the mid- and long-term vision. If a Large-scale Purchase is conducted by a purchaser who does not understand the Company’s business well, the Company is concerned that it may

not only make our growth plan unachievable, but also be highly likely to cause material loss to our existing shareholders as a result of the relationship of trust with customers being damaged. In addition, with respect to the status of the shareholders as of March 31, 2021, if the shares held by the President and its related persons (relatives within a second-tier family member) are combined, the total shareholding ratio will exceed 20%. However, each of such related persons has a relationship that is independent of the President. Therefore, there is a good possibility that such related persons will transfer or sell the Company's shares based on their respective circumstances in the future, and as a result, it is assumed that there is also a good possibility that diversification of the Company's shares will be proceeded. In addition, as the Company is a listed company, the transfer of shares, etc. will be made based on the free will of the shareholders. Also, the Company may raise funds from the capital markets for future business expansion and other purposes although there are no specific plans at this time. Therefore, the Company cannot deny the realistic possibility that the Large-scale Purchase will be conducted against the Company if the liquidity of the shares the Company issues further increases in the future.

From such perspective, the Company believes that the New Plan is necessary in order to appropriately respond to the Large-scale Purchase that would significantly damage the Company's corporate value and the common interests of the shareholders.

2. Contents of the New Plan

(1) Procedures for the New Plan

(1-1) Large-scale Purchase Subject to the New Plan

Any actions falling under Item (i) or (ii) below or any similar actions thereto, excluding those approved by the Board of Directors of the Company, (hereinafter called the "Large-scale Purchase") will be subject to the New Plan. Any person who does or intends to make the Large-scale Purchase (hereinafter called the "Large-scale Share Purchaser") shall follow the procedures set forth in the New Plan (hereinafter called the "Large-scale Purchase Rules").

- (i) Any purchase of share certificates, etc.¹ issued by the Company by a holder², which causes such holder's holding ratio of such share certificates, etc.³ to be twenty (20) percent or more.
- (ii) Any tender offer⁵ of share certificates, etc. issued by the Company⁴, which causes the total of the ownership ratio of share certificates, etc.⁶ in respect of the tender offer and the holding ratio of share certificates of a person in a special relationship⁷ to be twenty (20) percent or more.

¹ Hereinafter, the term refers to "share certificates, etc." as defined in Article 27-23(1) of the Financial Instruments and Exchange Act unless otherwise provided. If any law or regulation referred to in the New Plan is revised (including a change of the name thereof and the enactment of a new law or regulation which succeeds to the old law or regulation), each of the provisions thereof referred to in the New Plan shall be replaced by each of the provisions of the substantially succeeding law or regulation thereto after such revision unless otherwise decided by the Board of Directors of the Company.

² The term refers to "holder" as defined in Article 27-23(1) of the Financial Instruments and Exchange Act and includes a person who is included in a holder under Paragraph (3) of the same Article.

³ Hereinafter, the term refers to "holding ratio of share certificates, etc." as defined in Article 27-23(4) of the Financial Instruments and Exchange Act.

⁴ Hereinafter in Paragraph (ii), the term refers to "share certificates, etc." as defined in Article 27-2(1) of the Financial Instruments and Exchange Act.

⁵ Hereinafter, the term refers to "tender offer" as defined in Article 27-2(6) of the Financial Instruments and Exchange Act.

⁶ Hereinafter, the term refers to “ownership ratio of share certificates, etc.” as defined in Article 27-2(8) of the Financial Instruments and Exchange Act.

⁷ Hereinafter, the term refers to “person in a special relationship” as defined in Article 27-2(7) of the Financial Instruments and Exchange Act, except for those prescribed in Article 3(2) of the Cabinet Office Ordinance concerning Disclosure of Tender Offer of Share Certificates, etc. by Non-Issuer for those listed in Item 1 of the same Paragraph.

(1-2) Submission of Statement of Intention

Prior to initiating the Large-scale Purchase, the Large-scale Share Purchaser will be required to submit to the President of the Company a document, in such form as separately stipulated by the Company, which contains pledges, etc. of complying with the Large-scale Purchase Rules (hereinafter called the “Statement of Intention”) as well as a transcript of the commercial registry, a copy of articles of incorporation and other documents which objectively certify the existence of the Large-scale Share Purchaser. In particular, the Statement of Intention should contain matters set out in each of the following Items from (i) to (iii).

The Statement of Intention and all other documents to be submitted by the Large-scale Share Purchaser to the Company shall be in Japanese.

- (i) Summary of Large-scale Share Purchaser
 - a. name and address or location,
 - b. governing law of establishment,
 - c. purposes and contents of business,
 - d. name and title of a representative,
 - e. domestic contact, and
 - f. pledges of complying with the Large-scale Purchase Rules
- (ii) Number of the shares, etc. of the Company currently held by the Large-scale Share Purchaser and the status of trading of the shares, etc. of the Company by the Large-scale Share Purchaser within sixty (60) days prior to the submission of the Statement of Intention, and
- (iii) Summary of the Large-scale Purchase proposed by the Large-scale Share Purchaser, including the class and number of the shares, etc. of the Company to be acquired by the Large-scale Share Purchaser by means of the Large-scale Purchase and the purpose(s) of the Large-scale Purchase (with details thereof for any purposes relating to the acquisition of control or participation in the management, net investment or political investment, assignment of the shares, etc. of the Company to a third party after the Large-scale Purchase, act of making an important suggestion, etc.⁸, or if there is any other purpose, statement to that effect and contents thereof). If there are multiple purposes, all of the purposes should be stated.

⁸ Hereinafter, the term refers to “act of making important suggestion, etc.” as defined in Article 27-26(1) of the Financial Instruments and Exchange Act, Article 14-8-2(1) of the Order for Enforcement of the Financial Instruments Act and Article 16 of the Cabinet Office Ordinance concerning Disclosure of Large Holding of Share Certificates, etc. unless otherwise provided.

(1-3) Provision of Required Information

The Large-scale Share Purchaser who has submitted to the President of the Company the Statement of Intention will be required to submit necessary and adequate information for the shareholders to make decisions over the Large-scale Purchase as follows:

First, within ten (10) business days⁹ from the day on which the Statement of Intention is received from the Large-scale Share Purchaser, the Company sends to the Large-scale Share

Purchaser a list of information to be initially provided by the Large-scale Share Purchaser (hereinafter called the “Required Information List”). Then, the Large-scale Share Purchaser provides the President of the Company with the adequate information in accordance with the Required Information List.

If it is reasonably judged by the Board of Directors of the Company after consulting with and obtaining advice from the External Professional that such information provided by the Large-scale Share Purchaser pursuant to the Required Information List is inadequate for the shareholders to make decisions and for the Board of Directors of the Company to implement evaluation and consideration with regards to the purchase in light of the contents and manner of the Large-scale Purchase, the Large-scale Share Purchaser will be required to provide such additional information as separately requested by the Board of Directors of the Company within a specified response period. The response period shall be up to sixty (60) days calculating from the date of the Required Information List.

Regardless of the contents or manner of the Large-scale Purchase, those pieces of information with regard to each of the following items shall be included in the Required Information List in principle. However, the specific contents of those pieces of information included in the Required Information List will be reasonably decided by the Board of Directors of the Company, after consulting with and obtaining advice from the External Professional, in light of the contents and manner of the relevant Large-scale Purchase. Unless the Large-scale Share Purchaser is able to provide any of those pieces of information with regard to items set out in the Required Information List, the Large-scale Share Purchaser will be required by the Company to provide a specific reason why the Large-scale Share Purchaser is unable to provide such information.

- (i) Particulars of the Large-scale Share Purchaser and its group, including a joint holder¹⁰ and person in a special relationship, and each partner and other member in case of any fund. This includes the history, specific name, capital structure, business description, financial information, names and professional career of officers and so on.
- (ii) Purpose(s) of the Large-scale Purchase (details of the purpose(s) disclosed in the Statement of Intention), method and contents. This includes existence or non-existence of the intention to participate in the management, kind and amount of consideration of the Large-scale Purchase, timing of the Large-scale Purchase, related trading structure, number of shares, etc. to be purchased, ownership ratio of share certificates, etc. after the purchase and legality of the method of the Large-scale Purchase.
- (iii) Calculation base of the consideration of the Large-scale Purchase. This includes the assumed fact of calculation, calculation method, numerical information used in the calculation, contents of synergy expected to arise out of a sequence of trading in respect of the Large-scale Purchase and name and summary of opinion of any third party that is listened to in the calculation and the course of determining the amount based on such third party’s opinion.
- (iv) Corroboration of funding for the Large-scale Purchase. This includes the specific names of persons who provide funds, including an actual provider, funding method and contents of related trading.
- (v) Existence or non-existence of communication with a third party in implementing the Large-scale Purchase, and its contents and a summary of the third party, if any.
- (vi) Type of the Security Agreement, etc., counterparties and the specific contents of agreement,

such as the number of subject shares, etc., for any lease agreement, security agreement, sell-back agreement, agreement to complete a reserved sale or other important agreements or arrangements with regard to the shares, etc. of the Company already held by the Large-scale Share Purchaser (hereinafter called the “Security Agreement, etc.”).

- (vii) Type of the agreement to be executed, counterparty and the specific contents of the agreement, such as the number of subject shares, etc. for any Security Agreement, etc. or other agreement to be executed with a third party with regard to the Company’s shares to be acquired by the Large-scale Share Purchaser through the Large-scale Purchase.
- (viii) Summary of management policies, business plans, capital policies and allotment policies of the Company and its group after the Large-scale Purchase.
- (ix) Handling policy of the Company’s employees, business partners, customers, local community and other stakeholders in respect of the Company after the Large-scale Purchase.
- (x) Specific measures to prevent a conflict of interest with other shareholders of the Company.

The Board of Directors of the Company promptly discloses such fact if it receives the Statement of Intention from the Large-scale Share Purchaser and if it sends the Required Information List to the Large-scale Share Purchaser. The Board of Directors of the Company also discloses, at the time it judges appropriate, any or all of the information provided by the Large-scale Share Purchaser and, for any information not provided by the Large-scale Share Purchaser, the description of such information and the reason for the non-provision (hereinafter called the “Information Provided by the Large-scale Share Purchaser”), which is considered as being necessary for the shareholders to make decisions.

The Company promptly notifies the Large-scale Share Purchaser of and discloses such fact if the Board of Directors of the Company reasonably judges that the Information Provided by the Large-scale Share Purchaser is adequate as the information required to provide in the Required Information List (hereinafter called the “Large-scale Purchase Information”) and the provision thereof has been completed (hereinafter called the “Notice of Completion of Information Provision”).

⁹ Hereinafter, a “business day” means any day other than those listed in each item of Article 1(1) of the Act on Holidays of Administrative Organs.

¹⁰ Hereinafter, the term refers to the “joint holder” as defined in Article 27-23(5) of the Financial Instruments and Exchange Act and includes a person considered by Board of Directors of the Company to be deemed as the “joint holder” under Paragraph 6 of the same Article.

(1-4) Evaluation Period by the Board of Directors of the Company

After giving the Notice of Completion of Information Provision, the Board of Directors of the Company sets a period, during which the Board of Directors of the Company will evaluate, consider, negotiate, formulate an opinion and establish alternative proposals, depending on the difficulty of the Large-scale Purchase evaluation, of (i) sixty (60) days from the date of the Notice of Completion of Information Provision in the case of a tender offer subject to all of the shares, etc. of the Company for which the consideration is limited to cash (Japanese yen) or (ii) ninety (90) days from the date of the Notice of Completion of Information Provision in the other cases of the Large-scale Purchase after consulting with and obtaining advice from the External Professional (hereinafter called the “Board of Directors Evaluation Period”).

During the Board of Directors Evaluation Period, the Board of Directors of the Company shall fully evaluate and consider the Information Provided by the Large-scale Share Purchaser by

consulting with and obtaining advice from the External Professionals, as necessary, and evaluate and consider the contents of the Large-scale Purchase to be implemented by the Large-scale Share Purchaser in terms of protecting and enhancing the Company's corporate value and common interests of the shareholders. Through this evaluation and consideration, the Board of Directors of the Company shall sincerely summarize an opinion of the Board of Directors of the Company with regard to the Large-scale Purchase and shall notify the Large-scale Share Purchaser thereof and disclose it to the shareholders at an appropriate time and in an appropriate manner. The Board of Directors of the Company may also negotiate with the Large-scale Share Purchaser concerning the conditions and method of the Large-scale Purchase, as necessary, and provide an alternative proposal of the Board of Directors of the Company to the shareholders.

Until the end of the Board of Directors Evaluation Period, the Large-scale Share Purchaser may not initiate the Large-scale Purchase.

(1-5) Requirements to Trigger Countermeasures

(i) Cases where the Large-scale Share Purchaser fails to comply with the Large-scale Purchase Rules.

(i-1) A case where the countermeasures are triggered upon the Special Committee's recommendation.

If the Large-scale Share Purchaser fails to comply with the Large-scale Purchase Rules, the Board of Directors of the Company shall deem the relevant Large-scale Purchase to be a hostile takeover which may significantly damage the Company's corporate value and common interests of the shareholders and shall pass a resolution to trigger the countermeasures in principle. In judging the compliance by the Large-scale Share Purchaser with the Large-scale Purchase Rules, the circumstances relating to the Large-scale Share Purchaser, such as the case where the Large-scale Share Purchaser may not necessarily have detailed information with regard to the Company, will be taken into consideration to a reasonable extent. Thus it will not be recognized that such Large-scale Share Purchaser has failed to comply with the Large-scale Purchase Rules only because the Large-scale Share Purchaser has not provided any part of the Large-scale Purchase Information required by the Board of Directors of the Company.

In such case, prior to triggering the countermeasures, the Board of Directors of the Company shall promptly consult with the Special Committee on the propriety of triggering the countermeasures, and, upon such consultation, the Special Committee shall make a recommendation to the Board of Directors of the Company on the propriety of triggering the countermeasures after consulting with and obtaining advice from the External Professional, as necessary. In judging whether or not to trigger the countermeasures, the Board of Directors of the Company shall respect the Special Committee's recommendation to the greatest extent possible. In such case, in triggering the countermeasures, no shareholders' meeting to confirm the shareholders' opinion (hereinafter called the "Shareholders' Meeting to Confirm the Shareholders' Opinion") on the propriety thereof shall be required to be held.

(i-2) A case where the countermeasures are triggered upon the resolution of the Shareholders' Meeting to Confirm the Shareholders' Opinion.

Notwithstanding Paragraph (i-1) above, if (a) the Special Committee recommends calling the Shareholders' Meeting to Confirm the Shareholders' Opinion or (b) it is practically possible to confirm the opinion of the shareholders by taking into consideration various conditions, such as the contents of the Large-scale Purchase and the existence of enough time to confirm matters

and the Board of Directors of the Company judges that it is appropriate to confirm the opinion of the shareholders on the propriety of triggering the countermeasures in light of the laws and regulations, due care of a good manager of the directors of the Company and so on, the Board of Directors of the Company shall promptly call the Shareholders' Meeting to Confirm the Shareholders' Opinion (instead of consultation with the Special Committee in the case of above (b)) and refer the judgment on whether or not to trigger the countermeasures to the shareholders.

A summary of the Special Committee is as set out in Exhibit 1. The three (3) persons in total, Mr. Masanori Kazamaki, Mr. Toshimasa Iue and Mr. Masao Hisada, are supposed to be appointed as the committee member of the Special Committee at the time of the introduction of the New Plan. Their respective brief histories are as set out in Exhibit 2. Mr. Masanori Kazamaki and Mr. Toshimasa Iue have extensive experience and expertise in business management, and Mr. Masao Hisada has extensive experience and expertise in business management and overseas business. Mr. Masanori Kazamaki is an Outside Director, and Mr. Toshimasa Iue and Mr. Masao Hisada are Outside Directors who are Audit Committee members of the Company. Therefore, they are all independent of the Company.

(ii) Cases where the Large-scale Share Purchaser complies with the Large-scale Purchase Rules.

When the Large-scale Share Purchaser complies with the Large-scale Purchase Rules, although the possibility of declaring an objection, providing an alternative proposal or giving an explanation to the shareholders will not be excluded if the Board of Directors of the Company disagrees on the relevant Large-scale Purchase, in principle, no countermeasures will be triggered against such Large-scale Purchase. The shareholders of the Company will be asked to judge whether or not to accept the proposal of the Large-scale Purchase after taking into consideration the Information Provided by the Large-scale Share Purchaser with regard to such Large-scale Purchase and the opinion thereon, an alternative proposal and so on of the Board of Directors of the Company.

However, even if the Large-scale Share Purchaser complies with the Large-scale Purchase Rules, the Board of Directors of the Company will promptly call the Shareholders' Meeting to Confirm the Shareholders' Opinion and refer the judgment on whether or not to trigger the countermeasures to the shareholders if the Board of Directors of the Company considers that it is clear that the Large-scale Purchase significantly damages the Company's corporate value and common interests of the shareholders and judges that it is necessary and appropriate to trigger the countermeasures. In particular, each of the cases from (a) to (e) below will be deemed as a case where it is considered that it is clear that the Large-scale Purchase significantly damages the Company's corporate value and common interests of the shareholders in principle:

- (a) if the Large-scale Share Purchaser is a person, a so-called greenmailer, who has no intention of actually participating in the management of the Company, but acquires or intends to acquire the shares, etc. of the Company solely for the purpose of boosting the share price and causing the Company or the relevant persons of the Company to purchase such shares, etc. at a high price,
- (b) if the Large-scale Share Purchaser acquires the shares, etc. of the Company for the purpose of transferring intellectual property rights, know-how, corporate secrets, key business partners or customers, etc. of the Company or any of its group companies which are necessary for its business and management to the Large-scale Share Purchaser or any of its group companies, etc. by temporarily controlling the Company's management,

- (c) if the Large-scale Share Purchaser acquires the shares, etc. of the Company for the purpose of appropriating the assets of the Company or any of its group companies for security or repayment resources for the liabilities of the Large-scale Share Purchaser or any of its group companies, etc. after acquiring control over the management of the Company,
- (d) if the Large-scale Share Purchaser acquires the shares, etc. of the Company for the purpose of causing a disposal of highly valued assets, such as real estate property and securities, not being currently related to the business of the Company or any of its group companies, by the sale, etc. thereof and then causing temporary high dividends to be paid with the gains of such disposal or to sell the shares, etc. of the Company at a boosted price by watching for a time of a sudden rise in the share price due to the temporary high dividends by temporarily controlling the management of the Company, or
- (e) if the proposed purchase is a purchase which is likely to actually force the shareholders to sell the shares, etc. of the Company, such as a coercive two-tier purchase, meaning the purchase of shares, including a tender offer, in which the purchase is not offered for all shares, etc. of the Company in the first stage of the purchase, and the purchase is offered for the other shares, etc. of the Company under unfavorable conditions for the shareholders or no clear conditions in the second stage of the purchase.

(1-6) Shareholders' Meeting to Confirm the Shareholders' Opinion

As set out in Paragraph (1-5) above, the Board of Directors of the Company shall call the Shareholders' Meeting to Confirm the Shareholders' Opinion in certain cases and refer the judgment on whether or not to trigger the countermeasures to the shareholders. In such case, the Company shall promptly disclose the fact that the Shareholders' Meeting to Confirm the Shareholders' Opinion is called and other matters for which the Board of Directors of the Company judges it is appropriate to disclose.

If the Shareholders' Meeting to Confirm the Shareholders' Opinion is to be held, the Board of Directors of the Company shall promptly set the record date to determine the shareholders entitled to vote at such Shareholders' Meeting to Confirm the Shareholders' Opinion and make a public notice at least two (2) weeks prior to the said record date in accordance with the provisions of the Companies Act. The shareholders entitled to vote at such Shareholders' Meeting to Confirm the Shareholders' Opinion shall be those shareholders recorded in the latest shareholder registry as of the said record date. Unless otherwise provided in laws, regulations or the Articles of Incorporation of the Company, a resolution of the Shareholders' Meeting to Confirm the Shareholders' Opinion shall be passed by a majority of the votes of the shareholders present at such Meeting.

If it is resolved to trigger or not to trigger the countermeasures at the Shareholders' Meeting to Confirm the Shareholders' Opinion, the Board of Directors of the Company shall approve the resolution to trigger or not to trigger the countermeasures in accordance with the resolution passed at such Shareholders' Meeting to Confirm the Shareholders' Opinion and disclose the result thereof.

If the Shareholders' Meeting to Confirm the Shareholders' Opinion is called, the Large-scale Share Purchaser may not initiate the Large-scale Purchase until the closure of such Shareholders' Meeting to Confirm the Shareholders' Opinion.

(2) Specific Contents of Countermeasures

Countermeasures to be triggered by the Board of Directors of the Company in the New Plan may include the allotment of share options (hereinafter called "Share Options") without contribution as well as other countermeasures permitted by the Companies Act or other laws or regulations or the

Articles of Incorporation of the Company. For any allotment of share options without contribution, a summary thereof shall be as set out in “Summary of Allotment of Share Options without Contribution” of Exhibit 3.

(3) Discontinuance or Withdrawal of Triggered Countermeasures

Even if the Board of Directors of the Company has resolved to trigger the countermeasures, if (i) the Large-scale Share Purchaser discontinues the Large-scale Purchase, or (ii) the fact, etc. based on which the judgment on whether or not to trigger the countermeasures was made changes and there are circumstances where the Board of Directors of the Company judges that it is inappropriate to maintain the triggered countermeasures in terms of protecting and enhancing of the Company’s corporate value and common interests of the shareholders, the Board of Directors of the Company shall consult with the Special Committee and consider the discontinuance or withdrawal of the triggered countermeasures by consulting with and obtaining advice from the External Professionals, as necessary.

The Special Committee, upon such consultation, shall consider the propriety of maintaining such countermeasures and make a recommendation to the Board of Directors of the Company by consulting with and obtaining advice from the External Professionals, as necessary. The Board of Directors of the Company shall respect the Special Committee’s recommendation to the greatest extent possible in judging whether or not to maintain the countermeasures.

If the Board of Directors of the Company has resolved to discontinue or withdraw the triggered countermeasures based on such recommendation of the Special Committee, it shall promptly disclose a summary of such resolution and other matters that the Board of Directors of the Company judges it appropriate to disclose.

However, such allotment of the Share Options without contribution may be discontinued or withdrawn until two (2) business days prior to the expiry date of rights (hereinafter called the “Expiry Date of Rights”) in respect of the Allotment Date (hereinafter as defined in Section 1 of Exhibit 3; hereinafter the same shall apply) of the Share Options if the Share Options are allotted without contribution as the countermeasures, but allotment of the Share Options without contribution shall not be discontinued or withdrawn on or after the previous business day of the Expiry Date of Rights to prevent any investors who have acquired the shares, etc. of the Company before the Expiry Date of Rights and who have sold such shares, etc. of the Company on the premise that they will be diluted by such allocation of the Share Options without contribution on or after the Expiry Date of Rights from being damaged due to the allotment of the Share Options without contribution being discontinued or withdrawn.

(4) Effective Term, and Abolition and Modification of New Plan

The effective term of the New Plan expires at the closure of the 63rd ordinary shareholders’ meeting of the Company to be held in June 2024.

However, the New Plan shall be abolished at such time and in accordance with such resolution if it is approved to abolish the New Plan at the meeting of the shareholders or the Board of Directors of the Company even before the expiration of such effective term.

The Board of Directors of the Company may modify the New Plan to the extent reasonably considered necessary as a result of any modification of, or any change of the interpretation or operation of, the provisions of the Companies Act, the Financial Instruments and Exchange Act or other laws or regulations or the rules of financial instruments exchanges or any change of the taxation system or precedents.

If the New Plan is abolished or modified, the Company shall appropriately disclose the fact of

such abolition or modification, excluding any minor modification of wordings as a result of any revision of the laws, regulations and so on, and the contents of such modification.

Summary of Special Committee

1. The Special Committee shall be established based on the resolution of the Board of Directors of the Company.
2. The Special Committee shall consist of at least three (3) committee members who are selected from independent outside directors satisfying the Company's independence requirements. The term of office of a special committee member shall commence on the day on which the member is appointed and end upon the expiration of the effective term of the Takeover Defense, and shall not preclude reappointment.
3. The Special Committee shall make a recommendation on matters submitted by the Board of Directors of the Company for consultation under the resolution passed at the relevant meeting of the Special Committee with the outlined reasons therefor, in principle.
4. The Special Committee may consult with External Professionals for advice, as necessary, in order to consider matters submitted by the Board of Directors of the Company for consultation. Any expense arising in obtaining such advice shall be borne fully by the Company in principle.
5. The recommendation to be made by the Special Committee shall need to be approved by a majority of all the members of the Special Committee at the meeting where all the members shall be present unless the circumstances are exceptional.

Brief Histories of the Members of the Special Committee

Masanori Kazamaki

Born on March 8, 1949

April 1971 Joined Nissei Sangyo (current Hitachi High-Tech Corporation)
 April 2008 Managing Officer, the abovementioned company
 April 2012 Special Assignment Advisor, the abovementioned company
 June 2015 Outside Director who is an Audit Committee member, the Company
 June 2019 Outside Director, the Company (incumbent)

Toshimasa Iue

Born on December 3, 1962

April 1989 Joined SANYO Electric Co., Ltd.
 June 1996 Director, the abovementioned company
 June 2002 Director, Vice President (Representative Director), the abovementioned company
 June 2005 Director and President (Representative Director), the abovementioned company
 June 2007 Special Advisor, the abovementioned company
 February 2010 Vice President and Operating Officer, LIXIL Group Corporation (current LIXIL Corporation)
 April 2011 Director, Vice President and Operating Officer, LIXIL Corporation
 June 2016 Director and Executive Vice President, LIXIL Group Corporation (current LIXIL Corporation)
 June 2018 Outside Director, the Company
 June 2019 Outside Director who is an Audit Committee member, the Company (incumbent)
 August 2019 Outside Director, Takara Printing Co., Ltd. (current Takara & Company Ltd.) (incumbent)
 June 2020 Outside Director who is an Audit Committee member, Torishima Pump Mfg. Co., Ltd. (incumbent)
 June 2020 Outside Director, Kameda Seika Co., Ltd. (incumbent)

Masao Hisada

Born on December 16, 1948

April 1972 Joined Hitachi, Ltd.
 April 2007 Vice President and Executive Officer, the abovementioned company
 April 2010 Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi High-Technologies Corporation (current Hitachi High-Tech Corporation)
 June 2010 Representative Executive Officer, Executive Vice President, Executive Officer and Director, the abovementioned company
 April 2011 Representative Executive Officer, President, Chief Executive Officer and Director, the abovementioned company
 April 2015 Director and Executive Officer, the abovementioned company
 June 2015 Chairman of the Board and Executive Officer, the abovementioned company
 April 2016 Chairman of the Board, the abovementioned company
 June 2017 Senior Adviser, the abovementioned company

June 2019 Honorary Senior Adviser, the abovementioned company (incumbent)
June 2019 Outside Director, ALCONIX Corporation (incumbent)
June 2019 Outside Director who is an Audit Committee member, the Company (incumbent)

Summary of Allotment of Share Options without Contribution

1. Total Number of Share Options to Be Allotted

The total number of the Share Options to be allotted shall be such number as separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution up to the number obtained by deducting the total number of the issued ordinary shares of the Company, excluding the number of ordinary shares of the Company held by the Company, from the total number of the authorized shares of the Company as of the certain date as separately specified by the Board of Directors of the Company (hereinafter called the “Allotment Date”) in the board resolution for the allotment of the Share Options without contribution (hereinafter called the “Resolution of Allotment of Share Options without Contribution”).

2. Shareholders Entitled to Allotment

The Share Options will be allotted to the shareholders recorded in the latest shareholder registry as of the Allotment Date at a ratio of one (1) share option per Company’s ordinary share held by the shareholder, excluding ordinary shares of the Company held by the Company at that time.

3. Effective Date of Allotment of Share Options without Distribution

The effective date of the allotment shall be as separately specified by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution.

4. Class and Number of Shares Subject to Share Options

The class of shares subject to the Share Options shall be ordinary shares of the Company and the number of shares subject to one (1) Share Option (hereinafter called “Number of Subject Shares”) shall be the number as separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution; provided, however, that such number shall be adjusted as necessary if the Company splits its share or consolidates its shares.

5. Contents and Amount of Assets Contributed upon Exercise of Share Options

The capital contribution to be made upon the exercise of the Share Options shall be monetary contribution, and the amount of the assets to be contributed upon the exercise of the Share Options per Company’s ordinary share shall not be less than one (1) yen and shall be the amount as separately specified by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution.

6. Restriction on Assignment of Share Options

As to the assignment of the Share Options, an approval of the Board of Directors of the Company shall need to be obtained.

7. Conditions to Exercise Share Options

A (1) specified large holder¹¹, (2) joint holder of a specified large holder, (3) specified Large-scale Share Purchaser¹², (4) person in a special relationship with a specified Large-scale Share Purchaser, (5) person who acquires or succeeds to the Share Options from a person falling under any one of the items from (1) to (4) without the approval of the Board of Directors of the Company or (6) affiliate¹³ of a person falling under any one of the items from (1) to (5) (hereinafter collectively called an “Unentitled Person”) may not exercise the Share Options. The detailed conditions relating to

exercising the Share Options shall be separately set forth in the Resolution of Allotment of Share Options without Contribution.

8. Acquisition of Share Options by Company

On the day as separately specified by the Board of Directors of the Company, the Company may acquire the Share Options held by a person other than the Unentitled Person and deliver the Company's ordinary shares of the Number of Subject Shares per Share Option in exchange therefor. The detailed conditions relating to acquiring the Share Options shall be separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution.

9. Exercise Period of Share Options

The exercise period of the Share Options shall be separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution.

10. Others

Any other matters required shall be separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution.

¹¹ A specified large holder means a person who is a holder of share certificates, etc. issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is twenty (20) percent or more, or a person who is considered by the Board of Directors of the Company as being a specified large holder. However, any person whose acquisition and holding of share certificates, etc. of the Company is considered by the Board of Directors of the Company not to be in conflict with the Company's corporate value and common interests of the shareholders and any other person as separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution shall be excluded from a specified large holder.

¹² A specified Large-scale Share Purchaser means a person who has made a public notice of the purchase, etc. (hereinafter in this note, as defined in Article 27-2(1) of the Financial Instruments and Exchange Act) of share certificates, etc. (hereinafter in this note, as defined in Article 27-2(1) of the Financial Instruments and Exchange Act) issued by the Company through a tender offer and whose holding ratio of share certificates, etc. of the share certificates, etc. held (including those prescribed in Article 7.1 of the Order for Enforcement of the Financial Instruments and Exchange Act as equivalent) by such person after such purchase, etc. is twenty (20) percent or more together with the holding ratio of share certificates, etc. of a person in a special relationship with such person or a person who is considered by the Board of Directors of the Company as being a specified Large-scale Share Purchaser. However, any person whose acquisition and holding of share certificates, etc. of the Company is considered by the Board of Directors of the Company not to be in conflict with the Company's corporate value and common interests of the shareholders and any other person as separately set forth by the Board of Directors of the Company in the Resolution of Allotment of Share Options without Contribution shall be excluded from a specified Large-scale Share Purchaser.

¹³ An "affiliate" of a person means a person who is considered by the Board of Directors of the Company as being a person who substantially controls, is controlled by or is under common control with such person (including a person considered by the Board of Directors of the Company as being any of such persons) or who acts in cooperation with such person. The term "control" means to "control the determination of financial and business policies" (as defined in Article 3.3 of the Ordinance for Enforcement of the Companies Act) of the other company, etc.

End of Document