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(Securities code: 2692)
June 1, 2020

To Shareholders with Voting Rights:

Hitoshi Okamoto
President & CEO
ITOCHU-SHOKUHIN Co., Ltd.
2-2-22 Shiromi, Chuo-ku, Osaka-shi, Osaka,
Japan

NOTICE OF THE 102nd ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are hereby notified of the 102nd Annual General Meeting of Shareholders of ITOCHU-SHOKUHIN Co., Ltd. (the “Company”). The meeting will be held for the purpose as described below.

Additionally, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:30 p.m. on Wednesday, June 17, 2020, Japan time.

- 1. Date and Time:** Thursday, June 18, 2020 at 10:30 a.m. Japan Time
- 2. Place:** International Conference Hall, 7F of the Osaka Chamber of Commerce and Industry located at 2-8, Honmachibashi, Chuo-ku, Osaka-shi
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 102nd Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements of the Company’s 102nd Fiscal Year (April 1, 2019 - March 31, 2020)
 - Proposals to be resolved:**
 - Proposal 1:** Distribution of Surplus
 - Proposal 2:** Election of Nine (9) Directors
 - Proposal 3:** Election of Three (3) Corporate Auditors

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- In order to prevent the spread of the novel coronavirus disease (COVID-19), we will omit the detailed explanation of the matters to be reported and the proposals at the meeting so as to shorten the meeting time. In addition, the venue and start time of the meeting may have to be changed depending on conditions. In that case, such changes will be posted on the Company’s website (<https://www.itochu-shokuhin.com/>).
 - Of the matters to be included in this notice, pursuant to laws and regulations and provisions of Article 18 of the Company’s Articles of Incorporation, “Consolidated Statements of Changes in Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements, as well as “Non-consolidated Statements of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are disclosed on the Company’s website (<https://www.itochu-shokuhin.com/>). Therefore, such information is omitted in this notice and its attached documents.

- If any revision is made to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, etc., the Company will post the revised material on its website (<https://www.itochu-shokuhin.com/>).

Guide to Exercising Voting Rights

You may exercise your voting rights by either of the methods below.

<p style="text-align: center;">Attending the General Meeting of Shareholders</p> <p>Please bring this notice with you and submit the enclosed Voting Rights Exercise Form at the reception.</p>	<p style="text-align: center;">Exercising voting rights in writing</p> <p>Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Rights Exercise Form and return it so that it arrives no later than the voting deadline.</p>	<p style="text-align: center;">Exercising voting rights via the Internet</p> <p>Please access the website for exercising voting rights, shown below, with a computer or a smartphone and indicate your approval or disapproval of each of the proposals by following the instructions on the screen.</p> <p style="text-align: right; margin-top: 20px;">See details on the next page. Website for exercising voting rights https://www.web54.net (Japanese only)</p>
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<p>Date of the General Meeting of Shareholders</p> <p>Thursday, June 18, 2020</p> <p>10:30 a.m.</p>	<p>Voting deadline</p> <p>Wednesday, June 17, 2020</p> <p>5:30 p.m.</p>	<p>Voting deadline</p> <p>Wednesday, June 17, 2020</p> <p>5:30 p.m.</p>
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Precautions When Exercising Voting Rights via the Internet

If you exercise your voting rights multiple times, the last vote that arrives at the Company will be deemed valid. If you exercise your voting rights both by writing and via the Internet, and they arrive at the Company on the same date, the vote placed via the Internet will be deemed valid.

- (1) Please contact below if you have any inquiries on how to operate your computer, etc. when exercising your voting rights via the Internet.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline	0120-652-031	(Business hours: 9:00 a.m. - 9:00 p.m.)
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- (2) For inquiries on matters other than (1) above, such as address and number of shares, please contact below.

1. Shareholders with an account at a securities firm

Please contact the securities firm with whom you have an account.

2. Shareholders without an account at a securities firm (shareholders with a special account)

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Department	0120-782-031	(Business hours: 9:00 a.m. - 5:00 p.m.)
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For Institutional Investors

In addition to the exercise of voting rights via the Internet as described above, institutional investors may use the Electronic Voting System Platform operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Distribution of Surplus

The Company recognizes return of profits to shareholders as the most important management policies.

With regard to dividends, we intend to pay stable and continuous dividends with a view to improving the level of shareholder returns.

We will allocate internal reserves to investments in logistics reorganization, system development, as well as in exploring new business opportunities in order to further enhance corporate value.

Under this policy, the Company proposes to pay a year-end dividend for the 102nd fiscal year and distribute other surplus as described below.

1. Matters regarding year-end dividend

(1) Type of dividend property

Cash

(2) Matters related to the allocation of dividend property and its total amount

37.50 yen per common share of the Company

Total 475,775,738 yen

Combined with the interim dividend of 37.50 yen already paid out, the annual dividend for the fiscal year will be 75 yen per share.

(3) Date the distribution of surplus comes into effect

June 19, 2020

2. Matters regarding distribution of other surplus

(1) Surplus item to be increased and the amount thereof

General reserves 2,600,000,000 yen

(2) Surplus item to be decreased and the amount thereof

Retained earnings brought forward 2,600,000,000 yen

Proposal 2: Election of Nine (9) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the election of nine (9) Directors, including three (3) Outside Directors, is proposed, by decreasing one (1) Director in order to sustainably enhance the Company's corporate value and respond flexibly to changes in the business environment.

If this proposal is approved as originally proposed, one-third of the Company's Directors will be Outside Directors.

The names and career summary of candidates for Director are as follows.

No.	Name	Current positions and responsibilities in the Company	Attendance at the Board of Directors meetings during the year
1	<u>Reappointment</u> Hitoshi Okamoto	President & CEO, Chief Corporate Officer	15 of 15 meetings (100%)
2	<u>Reappointment</u> Koichi Kawaguchi	Director and Managing Executive Officer, Chief Executive, Administration & Management Group; Executive General Manager, Administration Division; in charge of Compliance	14 of 15 meetings (93%)
3	<u>Reappointment</u> Mitsuo Kawahara	Director and Managing Executive Officer, Chief Executive, Sales & Marketing Group	12 of 12 meetings (100%)
4	<u>New appointment</u> Kenji Kakuta	Managing Executive Officer, Deputy Chief Executive, Sales & Marketing Group; Executive General Manager, Purchasing Policy Management Division	—
5	<u>Reappointment</u> Satoshi Nakajima	Director and Executive Officer, Executive General Manager, Finance & Accounting Division	12 of 12 meetings (100%)
6	<u>New appointment</u> Takeshi Hagiwara	Corporate Auditor	15 of 15 meetings (100%)
7	<u>Reappointment</u> <u>Outside Independent</u> Ken Hashimoto	Director	15 of 15 meetings (100%)
8	<u>Reappointment</u> <u>Outside Independent</u> Yasuyuki Miyasaka	Director	15 of 15 meetings (100%)
9	<u>Reappointment</u> <u>Outside Independent</u> Takako Okuda	Director	12 of 12 meetings (100%)

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	Hitoshi Okamoto (June 14, 1956) <u>Reappointment</u>	<p>April 1980 Joined ITOCHU Corporation</p> <p>April 2007 Deputy Chief Operating Officer, Apparel Division; General Manager, Apparel Division 1</p> <p>April 2008 Executive Officer; Chief Operating Officer, Apparel Division</p> <p>April 2010 Managing Executive Officer; President, Textile Company</p> <p>June 2010 Member of the Board, Managing Executive Officer; President, Textile Company</p> <p>April 2014 Member of the Board, Senior Managing Executive Officer; President, Textile Company</p> <p>April 2015 Member of the Board, Senior Managing Executive Officer; CSO</p> <p>April 2016 Member of the Board, Senior Managing Executive Officer; CSO; CIO</p> <p>April 2018 Chief Corporate Officer, the Company</p> <p>June 2018 President & CEO, Chief Corporate Officer (current)</p> <p>(Significant concurrent positions)</p> <p>—</p> <p>Reason for nomination as candidate for Director Mr. Hitoshi Okamoto has abundant experience, high ethical standards, and qualities to cope with various management issues as a corporate manager. As President & CEO, he is leading the management of the Company, further expanding its core businesses and aggressively advancing into new business areas. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified as a leader in sustainably enhancing the Company's corporate value.</p>	1,000
2	Koichi Kawaguchi (December 16, 1957) <u>Reappointment</u>	<p>April 1982 Joined ITOCHU Corporation</p> <p>April 2013 Chief Operating Officer, Coal, Nuclear & Solar Division</p> <p>April 2015 Senior Officer for ASEAN & South West Asia; President Director, PT. ITOCHU Indonesia</p> <p>June 2017 Director and Executive Officer; Executive General Manager, Corporate Administration Division; in charge of Compliance, the Company</p> <p>June 2018 Director and Executive Officer; Executive General Manager, Corporate Administration Division; Executive General Manager, Information Systems Division; in charge of Compliance</p> <p>September 2018 Director and Executive Officer; Executive General Manager, Corporate Administration Division; Executive General Manager, Corporate Planning Division; Executive General Manager, Information Systems Division; in charge of Compliance and CSR</p> <p>April 2019 Director and Managing Executive Officer; Chief Executive, Administration & Management Group; Executive General Manager, Administration Division; in charge of Compliance and CSR</p> <p>April 2020 Director and Managing Executive Officer; Chief Executive, Administration & Management Group; Executive General Manager, Administration Division; in charge of Compliance (current)</p> <p>(Significant concurrent positions)</p> <p>—</p> <p>Reason for nomination as candidate for Director Mr. Koichi Kawaguchi has contributed to strengthening the corporate foundation by enhancing the corporate governance system and optimizing the corporate functions as a general manager of administration & management group since assuming office as Director of the Company in June 2017. Having serving as the president of an overseas subsidiary of ITOCHU Corporation, he has practical experience and broad knowledge in business management. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p>	400

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
3	Mitsuo Kawahara (March 26, 1959) <u>Reappointment</u>	<p>April 1982 Joined the Company</p> <p>October 2005 General Manager, Sales Department No. 9, East Japan Marketing & Sales Division</p> <p>October 2010 Deputy Executive General Manager, East Japan Marketing & Sales Division</p> <p>June 2012 Executive Officer; Executive General Manager, Marketing & Sales Division No. 1</p> <p>April 2018 Executive Officer; Deputy Manager, Sales & Marketing Group; Executive General Manager, Marketing & Sales Division No. 1</p> <p>April 2019 Managing Executive Officer; Deputy Chief Executive, Sales & Marketing Group; Executive General Manager, Marketing & Sales Division</p> <p>June 2019 Director and Managing Executive Officer; Deputy Chief Executive, Sales & Marketing Group; Executive General Manager, Marketing & Sales Division</p> <p>April 2020 Director and Managing Executive Officer; Chief Executive, Sales & Marketing Group (current)</p> <p>(Significant concurrent positions) Non-executive Director, CONFEX HOLDINGS K.K. Non-executive Director, CONFEX CO., LTD.</p>	1,600
		Reason for nomination as candidate for Director Mr. Mitsuo Kawahara has abundant business experience and broad knowledge in the food distribution industry, playing a central role in securing stable earnings of the Company. Since April 2020, as a general manager of the marketing and sales division, he has contributed to strengthening the sales promotion system and organically coordinating each sales division. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.	
4	Kenji Kakuta (August 18, 1957) <u>New appointment</u>	<p>April 1981 Joined the Company</p> <p>October 2007 General Manager, Sales Department No. 3, Gift Marketing & Sales Division</p> <p>February 2010 Deputy Executive General Manager, Gift Marketing & Sales Division</p> <p>October 2015 Executive General Manager, Purchasing Policy Management Division</p> <p>June 2016 Executive Officer, Executive General Manager, Purchasing Policy Management Division</p> <p>April 2018 Executive Officer, Deputy Manager, Sales & Marketing Group; Executive General Manager, Purchasing Policy Management Division</p> <p>April 2019 Managing Executive Officer, Executive General Manager, Purchasing Policy Management Division</p> <p>April 2020 Managing Executive Officer, Deputy Chief Executive, Sales & Marketing Group; Executive General Manager, Purchasing Policy Management Division (current)</p> <p>(Significant concurrent positions) —</p>	1,800
		Reason for nomination as candidate for Director Mr. Kenji Kakuta has long engaged in the sales and marketing group and possesses various business experiences and broad knowledge. Since 2016, as an executive officer of the sales and marketing group, he has been working hard to build strong relationships with business partners, contributing to improving the Company's profitability and securing stable earnings. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.	

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
5	Satoshi Nakajima (August 30, 1963) <u>Reappointment</u>	April 1987 Joined ITOCHU Corporation May 2010 General Manager, Planning & Control Department, Finance Division May 2013 General Manager, Investor Relations Department May 2016 CFO, Energy & Chemicals Company April 2019 Executive Officer; Executive General Manager, Finance & Accounting Division, the Company June 2019 Director and Executive Officer; Executive General Manager, Finance & Accounting Division (current) (Seconded from ITOCHU Corporation) (Significant concurrent positions) —	—
Reason for nomination as candidate for Director Having served as General Manager of Planning & Control Department, General Manager of Investor Relations Department and CFO of Energy & Chemicals Company in ITOCHU Corporation, Mr. Satoshi Nakajima has expertise and abundant experience. Since June 2019, he has engaged in the management of the Company as Director of the Company, and is executing business appropriately as Executive General Manager of Finance & Accounting Division and working hard to build a robust financial structure that will provide a foothold for further growth of the Company. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.			
6	Takeshi Hagiwara (December 8, 1962) <u>New appointment</u>	April 1987 Joined ITOCHU Corporation May 2006 Deputy General Manager, Meat Products Department; Manager, Meat Products Section No. 1, Meat Products Department April 2012 General Manager, Meat Products Department April 2014 General Manager, Food Division, ITOCHU International Inc. April 2016 General Manager, Food Products Marketing & Distribution Department, ITOCHU Corporation April 2018 Senior Officer, Food Products Marketing & Distribution Division; General Manager, Food Products Marketing & Distribution Department June 2018 Corporate Auditor, the Company (current) July 2019 Senior Officer, Food Products Marketing & Distribution Division, ITOCHU Corporation April 2020 Junior Executive Officer, Chief Operating Officer, Food Products Marketing & Distribution Division, ITOCHU Corporation (current) (Significant concurrent positions) Junior Executive Officer, Chief Operating Officer, Food Products Marketing & Distribution Division, ITOCHU Corporation Non-executive Director, NIPPON ACCESS, INC.	—
Reason for nomination as candidate for Director Having served as Junior Executive Officer and Chief Operating Officer of Food Products Marketing & Distribution Division of ITOCHU Corporation, Mr. Takeshi Hagiwara has broad knowledge and various experiences in the food distribution industry. Since assuming office as Corporate Auditor of the Company in June 2018, he has been offering appropriate audit and advice, etc. on management from an object standpoint. The Company therefore nominates him as a candidate for Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value as Director.			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
7	Ken Hashimoto (September 7, 1951) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>April 1974 Joined Kao Soap Co., Ltd. (currently, Kao Corporation)</p> <p>November 1999 President, Chemical Products Business</p> <p>March 2006 Senior Vice President, Procurement, Global</p> <p>June 2008 Director and Executive Officer</p> <p>June 2012 Director and Managing Executive Officer; responsible for Accounting and Finance, Global; responsible for Enterprise Information Solutions, Global</p> <p>March 2013 Responsible for Procurement, Global</p> <p>August 2014 Advisor, Yoshikawakuni Plastics CO., LTD. (current)</p> <p>June 2016 Director, the Company (current)</p> <p>(Significant concurrent positions)</p> <p>Outside Director, TAKARA STANDARD CO., LTD.</p> <p>Reason for nomination as candidate for Outside Director</p> <p>Mr. Ken Hashimoto has held various key positions at Kao Corporation and possesses abundant experience and extensive knowledge regarding management. As Outside Director of the Company, he has been appropriately fulfilling his role such as by offering appropriate advice from an objective and practical standpoint as well as supervising business execution. The Company therefore nominates him as a candidate for Outside Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p> <p>Information regarding Independent Officers</p> <p>The Company has designated Mr. Ken Hashimoto as Independent Officer as specified by Tokyo Stock Exchange, Inc. and has registered him as such at the Exchange. If his re-election is approved, the Company will continue to designate him as Independent Officer and will register him as such at the Exchange.</p>	—
8	Yasuyuki Miyasaka (April 1, 1952) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>November 1975 Joined Tohmatsu Aoki & Co. (currently, Deloitte Touche Tohmatsu LLC)</p> <p>March 1980 Registered as certified public accountant</p> <p>June 1990 Partner</p> <p>October 2010 Director, Risk Management and Quality Assurance Office of IFRS</p> <p>June 2017 Left Deloitte Touche Tohmatsu LLC</p> <p>July 2017 Head, Yasuyuki Miyasaka Certified Public Accountant Office (current)</p> <p>June 2018 Director, the Company (current)</p> <p>(Significant concurrent positions)</p> <p>Head, Yasuyuki Miyasaka Certified Public Accountant Office</p> <p>Outside Corporate Auditor, Santen Pharmaceutical Co., Ltd</p> <p>Reason for nomination as candidate for Outside Director</p> <p>Mr. Yasuyuki Miyasaka has high-level expertise and broad knowledge related to corporate finance and accounting. As Outside Director of the Company, he has been offering accurate advice on ensuring validity and appropriateness in decision-making by the Board of Directors and properly supervising business execution primarily from his expert perspective as a certified public accountant. The Company therefore nominates him as a candidate for Outside Director based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p> <p>Information regarding Independent Officers</p> <p>The Company has designated Mr. Yasuyuki Miyasaka as Independent Officer as specified by Tokyo Stock Exchange, Inc. and has registered him as such at the Exchange. If his re-election is approved, the Company will continue to designate him as Independent Officer and will register him as such at the Exchange.</p>	—

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
9	Takako Okuda (May 7, 1956) Reappointment Outside Independent	<p>April 1979 Joined Suntory Limited</p> <p>April 2000 Manager, Wine Business Department</p> <p>April 2003 Manager, Tokyo Customer Center, Customer Communications Department</p> <p>September 2005 Joined Tokyo Electric Power Company, Incorporated Manager, <i>Kurashi-no-Lab</i> Group, Marketing & Customer Relations Department, Marketing & Sales Division</p> <p>July 2008 General Manager, Marketing & Customer Relations Department; Manager, <i>Kurashi-no-Lab</i> Group, Marketing & Sales Division</p> <p>July 2014 General Manager, CS Department, Customer Service Company</p> <p>April 2016 General Manager, CS Department, TEPCO Energy Partner, Incorporated</p> <p>April 2018 In charge of CX Promotion</p> <p>June 2019 Director, the Company (current)</p> <p>July 2019 In charge of CX Promotion, Customer Sales Department, Sales Division, TEPCO Energy Partner, Incorporated (current)</p> <p>(Significant concurrent positions) In charge of CX Promotion, Customer Sales Department, Sales Division, TEPCO Energy Partner, Incorporated</p> <p>Reason for nomination as candidate for Outside Director Ms. Takako Okuda possesses insight into matters such as product development of alcoholic and other beverages, and has broad experience gained through many years of involvement in roles that contribute to enhancement of customer satisfaction and stakeholders' trust. Since assuming office as Outside Director of the Company in June 2019, she has contributed to increasing diversity of the Board of Directors and encouraging active discussions. Although having no direct experience in corporate management other than as Outside Director of the Company, the Company nominates her as a candidate for Outside Director based on the judgment that she is qualified to contribute to sustained enhancement of the Company's corporate value.</p> <p>Information regarding Independent Officers The Company has designated Ms. Takako Okuda as Independent Officer as specified by Tokyo Stock Exchange, Inc. and has registered her as such at the Exchange. If her re-election is approved, the Company will continue to designate her as Independent Officer and will register her as such at the Exchange.</p>	—

- (Notes)
- There is no special interest between each candidate and the Company.
 - Mr. Ken Hashimoto, Mr. Yasuyuki Miyasaka, and Ms. Takako Okuda are candidates for Outside Director.
 - Mr. Ken Hashimoto will have served as Outside Director for four (4) years at the conclusion of this General Meeting of Shareholders.
 - Mr. Yasuyuki Miyasaka will have served as Outside Director for two (2) years at the conclusion of this General Meeting of Shareholders.
 - Ms. Takako Okuda will have served as Outside Director for one (1) year at the conclusion of this General Meeting of Shareholders.
 - Mr. Hitoshi Okamoto has served as a business executor of ITOCHU Corporation, with which the Company has important business relationship.
His positions and responsibilities in the past five (5) years as a business executor of the company are as stated in the career summary on page 6.
 - Mr. Koichi Kawaguchi has served as a business executor of ITOCHU Corporation, with which the Company has important business relationship.
His positions and responsibilities in the past five (5) years up until now as a business executor and a corporate officer of the companies which the Company has important business relationships with, including ITOCHU Corporation, are stated in the career summary on page 6.
He has also served in the past five (5) years as a corporate officer of PT. BHIMASENA POWER INDONESIA, with which the Company has important business relationships.
 - Mr. Satoshi Nakajima has served as a business executor of ITOCHU Corporation, with which the Company has important business relationship.
His positions and responsibilities in the past five (5) years up until now as a business executor and a corporate officer of

the companies which the Company has important business relationships with, including ITOCHU Corporation, are stated in the career summary on page 8.

He has also served in the past five (5) years as a corporate officer of C.I. TAKIRON Corporation and ITOCHU ENEX CO., LTD., with which the Company has important business relationship.

9. Mr. Takeshi Hagiwara has served as a business executor of ITOCHU Corporation, with which the Company has important business relationship.

His positions and responsibilities in the past five (5) years up until now as a business executor and a corporate officer of the companies which the Company has important business relationships with, including ITOCHU Corporation, are stated in the career summary on page 8.

10. Outline of the contents of liability limitation agreement

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act., the Company has entered into agreements with Mr. Ken Hashimoto, Mr. Yasuyuki Miyasaka, and Ms. Takako Okuda to limit their liability for damages specified in Article 423, paragraph (1) of the said Act. The maximum amount of liability under the agreements shall be the minimum amount stipulated in Article 425, paragraph (1) of the said Act, provided that the relevant Director has performed his/her duties in good faith and without gross negligence. If these candidates are re-elected at this General Meeting of Shareholders, the Company will continue above agreements. The Company has entered into the same agreement with Mr. Takeshi Hagiwara to limit his liability as a Corporate Auditor. If he is selected as Director, the Company will newly enter into the same agreement with him as Director.

Proposal 3: Election of Three (3) Corporate Auditors

The terms of office of Corporate Auditors Takeshi Hagiwara, Arichika Ota, and Kensuke Masuoka will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the election of three (3) Corporate Auditors, including two (2) Outside Corporate Auditors, is proposed in order to further enhance corporate governance and maintain an appropriate and effective audit system.

If this Proposal is approved as originally proposed, the number of Corporate Auditors of the Company will be four (4), including three (3) Outside Corporate Auditors.

The approval of the Board of Corporate Auditors has been obtained regarding this Proposal.

The names and career summary of candidates for Corporate Auditor are as follows.

No.	Name	Current positions at the Company	Attendance at the Board of Corporate Auditors meetings during the year
1	<u>New appointment</u> Hideaki Nagashima		—
2	<u>Reappointment</u> <u>Outside Independent</u> Kensuke Masuoka	Corporate Auditor	14 of 15 meetings (93%)
3	<u>New appointment</u> <u>Outside Independent</u> Shinichiro Yamaoka		—

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	Hideaki Nagashima (June 18, 1964) <u>New appointment</u>	<p>April 1988 Joined ITOCHU Corporation</p> <p>April 2002 General Manager, Business Administration Team, Metals & Energy Administration Division</p> <p>October 2006 General Manager, Business Administration Team, Space, Information and Multimedia Business Control Division</p> <p>April 2008 Deputy General Manager, Europe Business & Credit Group</p> <p>April 2014 Assistant CFO, Senior Officer, Machinery Company</p> <p>May 2017 Director, General Manager, Control & Administration Department, ITOCHU Plantech Inc. (current)</p> <p>June 2020 Control Division, ITOCHU Corporation (current)</p> <p>(Significant concurrent positions) Control Division, ITOCHU Corporation Director, General Manager, Control & Administration Department, ITOCHU Plantech Inc.</p> <p>Reason for nomination as candidate for Corporate Auditor Mr. Hideaki Nagashima has many years of experience in the administration department of ITOCHU Corporation and has abundant knowledge, as well as various experiences, including serving as Director and General Manager of Control & Administration Department in the subsidiary of ITOCHU Corporation. The Company expects him to audit appropriately by utilizing these experiences, etc., and therefore, nominates him as a candidate for Corporate Auditor based on the judgement that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p>	—
2	Kensuke Masuoka (May 18, 1957) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	<p>April 1989 Registered as attorney-at-law (Japan Federation of Bar Associations); joined Tokyo Bar Association; joined Shozo Masuoka Law Firm</p> <p>April 1993 Permanent Member, Tokyo Bar Association</p> <p>April 2003 Vice-President, Tokyo Bar Association</p> <p>December 2006 Corporate Auditor, the Company (current)</p> <p>January 2007 Representative, Masuoka General Law Firm (current)</p> <p>(Significant concurrent positions) Representative, Masuoka General Law Firm Outside Corporate Auditor, YOSHINOYA HOLDINGS CO., LTD. Outside Corporate Auditor, TJM DESIGN CORP.</p> <p>Reason for nomination as candidate for Outside Corporate Auditor Mr. Kensuke Masuoka has abundant experience and knowledge related to corporate legal affairs as an attorney-at-law. Since assuming office as Outside Corporate Auditor of the Company, he has been monitoring and supervising management of the Company as well as offering appropriate advice from an objective and neutral standpoint. The Company therefore nominates him as a candidate for Outside Corporate Auditor based on the judgment that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p> <p>Information regarding Independent Officers The Company has designated Mr. Kensuke Masuoka as Independent Officer as specified by Tokyo Stock Exchange, Inc. and has registered him as such at the Exchange. If his re-election is approved, the Company will continue to designate him as Independent Officer and will register him as such at the Exchange.</p>	—

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
3	Shinichiro Yamaoka (July 21, 1969) New appointment Outside Independent	<p>October 1994 Joined Tohmatsu & Co. (currently, Deloitte Touche Tohmatsu LLC)</p> <p>March 1999 Registered as certified public accountant</p> <p>September 2007 Left Deloitte Touche Tohmatsu LLC</p> <p>October 2007 Founded Veritas Accounting Co., Ltd., President & Chief Representative (current)</p> <p> Founded Yamaoka Law & Accounting Office, Partner (current)</p> <p>(Significant concurrent positions)</p> <p>President & Chief Representative, Veritas Accounting Co., Ltd.</p> <p>Partner, Yamaoka Law & Accounting Office</p> <p>Outside Corporate Auditor, eGuarantee, Inc.</p>	—
		<p>Reason for nomination as candidate for Outside Corporate Auditor</p> <p>Mr. Shinichiro Yamaoka has a high level of expertise regarding corporate finance, accounting and internal control as a certified public accountant, as well as various experiences as a corporate manager. The Company expects him to perform appropriate audit functions by utilizing these experiences, and therefore, nominates him as a candidate for Outside Corporate Auditor based on the judgement that he is qualified to contribute to sustained enhancement of the Company's corporate value.</p>	
		<p>Information regarding Independent Officers</p> <p>If Mr. Shinichiro Yamaoka is elected, the Company will designate him as Independent Officer as specified by Tokyo Stock Exchange, Inc. and register him as such at the Exchange.</p>	

(Notes) 1. There is no special interest between each candidate and the Company.

2. Mr. Kensuke Masuoka and Mr. Shinichiro Yamaoka are candidates for Outside Corporate Auditor.

3. Mr. Kensuke Masuoka will have served as Outside Corporate Auditor for thirteen (13) years and six (6) months at the conclusion of this General Meeting of Shareholders.

4. Mr. Hideaki Nagashima has served as a business executor of ITOCHU Corporation, with which the Company has important business relationship.

His positions and responsibilities in the past five (5) years up until now as a business executor and a corporate officer of the companies which the Company has important business relationships with, including ITOCHU Corporation, are stated in the career summary on page 13.

He has also served in the past five (5) years as a corporate officer of SUNCALL CORPORATION, ITOCHU SysTech Corporation, and Century Medical, Inc., with which the Company has important business relationships.

5. Outline of the contents of liability limitation agreement

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act., the Company has entered into agreement with Mr. Kensuke Masuoka to limit his liability for damages specified in Article 423, paragraph (1) of the said Act. The maximum amount of liability under the agreement shall be the minimum amount stipulated in Article 425, paragraph (1) of the said Act, provided that the relevant Corporate Auditor has performed his duties in good faith and without gross negligence. If he is re-elected at this General Meeting of Shareholders, the Company will continue the above agreement. If Mr. Hideaki Nagashima and Mr. Shinichiro Yamaoka are elected, the Company will enter into the same agreements with them to limit their liabilities.

Reference

Independence Criteria for Outside Directors and Outside Corporate Auditors

The Company has established independence criteria for Outside Officers, as described below, for the purpose of objectively determining independence of Outside Directors and Outside Corporate Auditors (hereinafter, "Outside Officers"). The Company determines that an Outside Officer is independent of the Company if the person meets the requirements for Independent Officers stipulated by Tokyo Stock Exchange, Inc. and does not fall under any of the criteria below.

- 1) A person who is a major business partner of the Company (including consolidated subsidiaries of the Company, hereinafter the same shall apply) (If the partner is an incorporated entity, a business executor of the incorporated entity)
- 2) A person whose major business partner is the Company (If the partner is an incorporated entity, a business executor of the incorporated entity)
- 3) A major shareholder of the Company (if the shareholder is an incorporated entity, a person who was a business executor of the incorporated entity)
- 4) A business executor of an incorporated entity of which the Company is a major shareholder
- 5) An attorney-at-law, certified public accountant, tax accountant, or other consultant who receives cash or other financial benefits from the Company in an amount that exceeds a certain amount, other than remuneration for Directors/Corporate Auditors
- 6) A person who receives donations or grants from the Company in an amount that exceeds a certain amount (If the person who receives the donations or grants is an organization, such as an incorporated entity, union, or other organization, a business executor of the organization)
- 7) If Executive Director or Standing Corporate Auditor of the Company concurrently serves as an outside director or an outside corporate auditor of another company, a business executor of such company
- 8) A spouse or a second-degree relative of Director, Corporate Auditor, Executive Officer, or other significant employee of the Company
- 9) A person who has fallen under any of the paragraphs 1 through 8 above in the past ten (10) years
- 10) Notwithstanding the provisions of the preceding paragraphs, a person who is reasonably judged to have a potential conflict of interest with general shareholders

- (Notes)
1. A "person who is a major business partner of the Company" in Paragraph 1 refers to a person who accounts for 2% or more of the Company's consolidated net sales in any of the last five (5) fiscal years.
 2. A "person whose major business partner is the Company" in Paragraph 2 refers to a person who receives 2% or more of the person's consolidated net sales from the Company in any of the last five (5) fiscal years. If consolidated financial statements are unavailable, non-consolidated net sales are applied for the criteria.
 3. A "business executor" refers to the executive specified under Article 2, paragraph (3), item (vi) of the Ordinance for Enforcement of the Companies Act, and includes Executive Directors, Executives, Executive Officers, other employees, etc.
 4. A "major shareholder" refers to a person or an incorporated entity that directly or indirectly holds 10% or more of the total voting rights of the Company.
 5. A "certain amount" refers to profit from money or other property of 10 million yen or higher per year.