

THE FOLLOWING IS AN ENGLISH TRANSLATION PREPARED FOR THE CONVENIENCE OF THE SHAREHOLDERS AND INVESTORS. THE OFFICIAL TEXT IN JAPANESE OF THE NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS HAS BEEN PREPARED IN ACCORDANCE WITH STATUTORY PROVISIONS AND MAILED TO THE RESPECTIVE SHAREHOLDERS SEPARATELY. SHOULD THERE BE ANY INCONSISTENCY BETWEEN THE TRANSLATION AND THE OFFICIAL TEXT IN TERMS OF THE CONTENTS OF THE NOTICE, THE LATTER SHALL PREVAIL. THE COMPANY ACCEPTS NO LIABILITY FOR ANY MISUNDERSTANDING CAUSED BY THE TRANSLATION FOR ANY REASON WHATSOEVER.

Securities Code: 6869
June 3, 2022

Notice of the 55th Ordinary General Meeting of Shareholders

Dear Shareholders:

We would hereby like to inform you that the 55th Ordinary General Meeting of Shareholders (this “Meeting”) will be held as follows.

In order to prevent the spread of infection of the novel coronavirus disease (COVID-19) and ensure the safety of our shareholders, the Company requests that you vote in writing or via our online voting website, if at all possible, instead of attending the Meeting this year. Please refer to the reference materials contained herein, indicate your approval or disapproval of the items to be resolved in this Meeting on the enclosed ballot form and return it to us by 5:45 p.m. on Thursday, June 23, 2022. As an alternative, you may exercise your voting rights on our designated voting website (<https://evote.tr.mufg.jp/>).

Yours faithfully,

Hisashi Ietsugu,
Chairman and CEO
SYSMEX CORPORATION
1-5-1, Wakinohama-Kaigandori,
Chuo-ku, Kobe, Hyogo Prefecture
651-0073, Japan

- 1. Date and Time:** Friday, June 24, 2022, at 10 a.m.
- 2. Venue:** Banquet Hall Ohwada, 1st Floor, South Building, Kobe Portopia Hotel, 6-10-1, Minatojima Nakamachi, Chuo-ku, Kobe, Hyogo Prefecture, Japan
- 3. Agenda:**
- Items to be reported:**
1. Business Report, Consolidated Financial Statements for the 55th fiscal year (from April 1, 2021 to March 31, 2022), as well as Auditing Reports on Consolidated Financial Statements by the Accounting Auditors and by the Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the 55th fiscal year (from April 1, 2021 to March 31, 2022)
- Items to be resolved:**
- Bill No. 1:** Appropriation of Surplus
- Bill No. 2:** Amendment to the Articles of Incorporation
- Bill No. 3:** Election of Nine (9) Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members)
- Bill No. 4:** Election of Three (3) Members of the Managing Board Who Are Audit and Supervisory Committee Members

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- * **If you are attending this Meeting, please submit the enclosed ballot form to the reception desk at the meeting venue.**
 - * **The following matters, however, are posted on our website (<https://www.sysmex.co.jp>) in accordance with applicable laws and regulations and the provision of Article 15 of the Articles of Incorporation, and are not included in this Notice of Convocation:**
 - 1) **System to ensure the appropriateness of operations and operation status of the system in the Business Report**
 - 2) **Consolidated statement of changes in equity and Notes to the Consolidated Financial Statements**
 - 3) **Statement of changes in equity and Notes to the Non-consolidated Financial Statements**
 - * **Amendments to the Reference Materials, Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements, if any, will be posted on our website (<https://www.sysmex.co.jp>).**

Reference Materials for the Shareholders' Meeting

Bill No. 1 Appropriation of Surplus

Issues related to the year-end dividend:

Under the Company's basic policy to pay continuous and stable dividends to our shareholders in consideration of our consolidated performance, we will target a consolidated dividend payout ratio of 30%. Based on this policy, the Company would like to pay a year-end dividend of 39 yen per share.

Together with the interim dividend of 37 yen per share, the annual dividend will be 76 yen per share.

- 1 Type of dividend
Cash
- 2 The appropriation of dividends and its total amount
39 yen per share of the Company's common stock
Total dividend amount 8,159,194,173 yen
- 3 Effective date for dividend
June 27, 2022

Bill No. 2 Amendment to the Articles of Incorporation

1. Reasons for the Amendment

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 15, Paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 15, Paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the Amendment

The details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 15</u> When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</p> <p>(Newly established)</p>	<p>(Delete)</p> <p><u>(Measures for Providing Information in Electronic Format, etc.)</u> <u>Article 15</u> 1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format. 2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</p>

Current Articles of Incorporation	Proposed amendments
	<u>(Supplementary Provisions)</u>
(Newly established)	<ol style="list-style-type: none"> <li data-bbox="798 327 1361 539">1. <u>The amendment to the Articles of Incorporation pertaining to Article 15 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u> <li data-bbox="798 542 1361 734">2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <li data-bbox="798 736 1361 871">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Bill No. 3 Election of Nine (9) Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members)

The terms of office of all nine (9) Members of the Managing Board (excluding Members of the Managing Board who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this Bill) will expire at the conclusion of this Meeting.

Accordingly, the Company requests the election of nine (9) Members of the Managing Board.

The candidates for Members of the Managing Board are as follows:

Candidate number	Name		Positions, duties and important concurrent positions	Attendance to the Meetings of the Managing Board
1	Reelection	Hisashi Ietsugu	Chairman and CEO (Important concurrent position) Chairman of the Kobe Chamber of Commerce and Industry	15/15
2	Reelection	Kaoru Asano	Member of the Managing Board and Senior Executive Officer Senior Managing Director, CTO (Duties) R&D, Incubation and MR Business (Important concurrent position) President of Medicaroid Corporation	15/15
3	Reelection	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer Senior Managing Director (Duties) Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	15/15
4	Reelection	Iwane Matsui	Member of the Managing Board and Senior Executive Officer Managing Director (Duties) Global Marketing	15/15
5	Reelection	Hiroshi Kanda	Member of the Managing Board and Senior Executive Officer Managing Director (Duties) Business Strategy Development	15/15
6	Reelection	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer Managing Director (Duties) R&D, Incubation and MR Business (Assistant), Executive Vice President of MR Business	11/11
7	Reelection Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside) (Important concurrent position) President of Vision Care Inc. President of VCCT Inc.	15/15

Candidate number	Name		Positions, duties and important concurrent positions	Attendance to the Meetings of the Managing Board
8	Reelection Member of the Managing Board (Outside) Independent	Kazuo Ota	Member of the Managing Board (Outside)	15/15
9	Reelection Member of the Managing Board (Outside) Independent	Hidekazu Fukumoto	Member of the Managing Board (Outside)	11/11

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
1	<p data-bbox="373 618 480 645"><u>Reelection</u></p> <p data-bbox="373 647 587 703">Hisashi Ietsugu (September 17, 1949)</p> <p data-bbox="373 730 544 837">Attendance to the Meetings of the Managing Board 15/15</p>	<p data-bbox="616 349 1241 405">September 1986 Joined the Company, Member of the Managing Board of the Company</p> <p data-bbox="616 407 1241 488">March 1990 Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p data-bbox="616 490 1241 571">February 1996 Member of the Managing Board and Senior Executive Officer, Managing Director of the Company (Representative Director)</p> <p data-bbox="616 573 1241 680">April 1996 Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company (Representative Director)</p> <p data-bbox="616 683 1161 712">June 1996 President and CEO of the Company</p> <p data-bbox="616 714 1161 743">April 2013 Chairman and CEO of the Company</p> <p data-bbox="616 745 1161 801">April 2018 Chairman and CEO of the Company (current)</p> <p data-bbox="616 804 1193 860">(Important concurrent position) Chairman of the Kobe Chamber of Commerce and Industry</p> <p data-bbox="616 862 1374 1102">(Reasons for Nomination) Holding the positions of Chairman and CEO of the Company, Hisashi Ietsugu has managed the entire Sysmex Group (the “Group”) and provided strong leadership for many years. He is appointed as a candidate for a Member of the Managing Board of the Company because he will be essential for increasing the corporate value of the Group with his sense of balance, enabling appropriate supervision and decision-making of the entire management based on his insight and abundant experience and achievements as a corporate manager.</p>	613,600

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
2	<p>Reelection</p> <p>Kaoru Asano (October 19, 1958)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p>	<p>August 1987 Joined the Company</p> <p>April 2005 Executive Vice President of Central Research Laboratories of the Company</p> <p>April 2009 Executive Officer, Manager of Central Research Laboratories of the Company</p> <p>April 2011 Executive Officer, Executive Vice President of R&D Strategic Planning of the Company</p> <p>April 2013 Senior Executive Officer of the Company</p> <p>June 2014 Member of the Managing Board and Senior Executive Officer of the Company</p> <p>April 2015 Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>April 2017 Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company</p> <p>April 2018 Member of the Managing Board and Senior Executive Officer, Senior Managing Director, COO LS Business Unit and CTO of the Company</p> <p>April 2021 Member of the Managing Board and Senior Executive Officer, Senior Managing Director, CTO of the Company (current)</p> <p>(Duties) R&D, Incubation and MR Business (Important concurrent position) President of Medicaroid Corporation</p> <p>(Reasons for Nomination) Kaoru Asano has been involved in research and technology development of the Group for many years and has contributed to the business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2014 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	53,100

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
3	<p><u>Reelection</u> Kenji Tachibana (December 12, 1957)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p>	<p>March 1980 Joined the Company</p> <p>April 1998 President of Sysmex Singapore Pte Ltd (presently Sysmex Asia Pacific Pte Ltd.)</p> <p>April 2004 Senior Vice President of Business Planning of the Company</p> <p>April 2007 Executive Vice President of International Business Management of the Company</p> <p>April 2011 Executive Officer, Executive Vice President of IVD Business Development of the Company</p> <p>April 2013 Senior Executive Officer of the Company</p> <p>June 2014 Member of the Managing Board and Senior Executive Officer of the Company</p> <p>April 2015 Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>April 2017 Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company</p> <p>April 2018 Member of the Managing Board and Senior Executive Officer, Senior Managing Director, COO IVD Business Unit of the Company</p> <p>April 2021 Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company (current)</p> <p>(Duties) Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development</p> <p>(Reasons for Nomination) Kenji Tachibana has been involved in business strategy development and international businesses of the Group and has contributed to the strategic and global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2014 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	36,700

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
4	<p data-bbox="373 658 480 685"><u>Reelection</u></p> <p data-bbox="373 689 544 741">Iwane Matsui (January 1, 1961)</p> <p data-bbox="373 770 544 875">Attendance to the Meetings of the Managing Board 15/15</p>	<p data-bbox="616 349 722 376">April 1985</p> <p data-bbox="616 380 722 407">July 2001</p> <p data-bbox="616 436 722 463">April 2007</p> <p data-bbox="616 490 722 517">April 2009</p> <p data-bbox="616 546 722 573">April 2011</p> <p data-bbox="616 629 722 656">April 2013</p> <p data-bbox="616 712 722 739">April 2017</p> <p data-bbox="616 743 722 770">April 2019</p> <p data-bbox="616 799 722 826">June 2019</p> <p data-bbox="616 882 699 909">(Duties)</p> <p data-bbox="616 913 791 940">Global Marketing</p> <p data-bbox="616 945 871 972">(Reasons for Nomination)</p> <p data-bbox="616 976 1382 1184">Iwane Matsui has been involved in promoting businesses such as domestic and international sales and marketing serving as a sales manager for domestic sales and as a representative of several overseas regional headquarters of the Group for many years, and has contributed to global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2019 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	2,500

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
5	<p><u>Reelection</u> Hiroshi Kanda (July 3, 1957)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p>	<p>March 1980 Joined the Company</p> <p>April 2004 Chairman of Sysmex Shanghai Ltd.</p> <p>April 2006 Senior Vice President of IVD Business Strategy Development of the Company</p> <p>April 2010 Executive Vice President of Sales and Marketing West Japan of the Company</p> <p>April 2012 ICH Business Unit and Executive Vice President of Hemostasis Product Engineering Development of the Company</p> <p>April 2013 Executive Officer, ICH Business Unit and Executive Vice President of Hemostasis Product Engineering Development of the Company</p> <p>April 2017 Senior Executive Officer and Executive Vice President of ICH Business Development of the Company</p> <p>April 2019 Senior Executive Officer, Managing Director of the Company</p> <p>June 2019 Member of the Managing Board and Senior Executive Officer, Managing Director of the Company (current)</p> <p>(Duties) Business Strategy Development</p> <p>(Reasons for Nomination) Hiroshi Kanda has been involved in promoting businesses such as product planning and market development of the Group for many years and has contributed to global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2019 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	62,800
6	<p><u>Reelection</u> Tomokazu Yoshida (December 16, 1964)</p> <p>Attendance to the Meetings of the Managing Board 11/11</p>	<p>June 2000 Joined the Company</p> <p>April 2015 Executive Vice President of Central Research Laboratories of the Company</p> <p>April 2017 Executive Officer, Executive Vice President of Central Research Laboratories and MR Business Development of the Company</p> <p>April 2020 Senior Executive Officer, Executive Vice President of Central Research Laboratories and MR Business Development of the Company</p> <p>April 2021 Senior Executive Officer, Managing Director, and Executive Vice President of MR Business of the Company</p> <p>June 2021 Member of the Managing Board, Senior Executive Officer, Managing Director, and Executive Vice President of MR Business of the Company (current)</p> <p>(Duties) R&D, Incubation and MR Business (Assistant)</p> <p>(Reasons for Nomination) Tomokazu Yoshida has been involved in research and technology development of the Group for many years, and has contributed to business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2021, and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	1,400

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
7	<p>Reelection Member of the Managing Board (Outside)</p> <p>Masayo Takahashi (June 23, 1961)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p>	<p>October 1992 Ph.D. of Medicine and Assistant professor of Ophthalmology, Kyoto University Hospital</p> <p>January 1995 Post-doc, in Laboratory of Genetics, the Salk Institute, San Diego, the United States</p> <p>January 1997 Assistant professor of Ophthalmology, Kyoto University Hospital</p> <p>October 2001 Associate professor, Team Leader of retinal regeneration project, Translational Research Center, Kyoto University Hospital</p> <p>April 2006 Team Leader, Laboratory for Retinal Regeneration Research, RIKEN Center for Developmental Biology, Japan</p> <p>April 2012 Project Leader, Laboratory for Retinal Regeneration Research, RIKEN Center for Developmental Biology, Japan (presently RIKEN Center for Biosystems Dynamics Research, Japan)</p> <p>June 2016 Joined the Company, Member of the Managing Board of the Company (current)</p> <p>December 2017 Director of Research Center, Kobe City Eye Hospital</p> <p>August 2019 President of Vision Care Inc. (current)</p> <p>August 2019 Senior Visiting Scientist, Laboratory for Retinal Regeneration Research, RIKEN Center for Biosystems Dynamics Research, Japan</p> <p>August 2020 President, VCGT Inc. (current)</p> <p>March 2021 President, VCCT Inc. (current)</p> <p>April 2022 RARA fellow, Ritsumeikan Advanced Research Academy (RARA), and visiting professor, Research Organization of Science and Technology, Ritsumeikan University (current)</p> <p>April 2022 Visiting Scientist, Cell and Gene Therapy in Ophthalmology Laboratory, RIKEN Baton Zone Program (BZP), RIKEN Cluster for Science, Technology and Innovation Hub, (RCSTI) Japan (current)</p> <p>April 2022 Senior Adviser, Research Center, Kobe City Eye Hospital (current)</p> <p>(Important concurrent position) President of Vision Care Inc. President, VCCT Inc.</p> <p>(Reasons for Nomination and Expected Role) Masayo Takahashi is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that she would utilize her abundant experience and deep insight relating to advanced medical research, medical ethics and other fields in and outside Japan as a clinician and researcher for management of the Company by expressing her opinions at the Meetings of the Managing Board. She is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management. Her term of office as a Member of the Managing Board (Outside) will be six years at the conclusion of this Meeting.</p>	N/A

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held	
8	<p data-bbox="373 846 549 994">Reelection Member of the Managing Board (Outside) Independent</p> <p data-bbox="373 994 549 1048">Kazuo Ota (January 13, 1955)</p> <p data-bbox="373 1079 549 1182">Attendance to the Meetings of the Managing Board 15/15</p>	<p data-bbox="616 344 724 376">April 1978</p> <p data-bbox="616 376 724 407">April 2012</p> <p data-bbox="616 461 724 492">April 2013</p> <p data-bbox="616 568 724 600">April 2015</p> <p data-bbox="616 712 724 743">June 2015</p> <p data-bbox="616 819 772 851">December 2016</p> <p data-bbox="616 904 724 936">April 2018</p> <p data-bbox="616 1012 724 1043">June 2019</p> <p data-bbox="616 1075 724 1106">June 2019</p>	<p data-bbox="813 344 1241 461">Joined Kawasaki Heavy Industries, Ltd. General Manager of Planning & Control Division, Aerospace Company of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 461 1241 568">Executive Officer, General Manager of Planning & Control Division, Aerospace Company of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 568 1241 712">Managing Executive Officer, General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 712 1241 819">Senior Vice President, General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 819 1241 904">Senior Vice President, President of Motorcycle & Engine Company of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 904 1241 1012">Director, Managing Executive Officer, President of Motorcycle & Engine Company of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 1012 1241 1075">Retired from Director of Kawasaki Heavy Industries, Ltd.</p> <p data-bbox="813 1075 1241 1131">Joined the Company, Member of the Managing Board of the Company (current)</p>	N/A
		<p data-bbox="616 1131 1059 1162">(Reasons for Nomination and Expected Role)</p> <p data-bbox="616 1162 1378 1352">Kazuo Ota is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would utilize his abundant experience in management and deep insight as a corporate manager for global business development for management of the Company by expressing his opinions at the Meetings of the Managing Board. He is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management.</p> <p data-bbox="616 1352 1378 1406">His term of office as a Member of the Managing Board (Outside) will be three years at the conclusion of this Meeting.</p> <p data-bbox="616 1406 1378 1680">Although he worked for Kawasaki Heavy Industries, Ltd., which has a business relationship with the Company, the amount of transactions with Kawasaki Heavy Industries, Ltd. accounts for less than 2% of each company's consolidated net sales. He, therefore, satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange, Inc. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>		

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
9	Hidekazu Fukumoto (November 6, 1955)	<p>April 1978 Joined The Sanwa Bank, Ltd. (presently MUFG Bank, Ltd.)</p> <p>May 2005 Executive Officer of UFJ Bank Ltd. (presently MUFG Bank, Ltd.)</p> <p>January 2006 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (presently MUFG Bank, Ltd.)</p> <p>April 2008 Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2010 Managing Director and Chief Executive of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2012 Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2014 Deputy President Chief Executive of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2016 Deputy President (Director) of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2017 Member of the Board of Directors, Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>April 2018 Member of the Board of Directors, Deputy President of MUFG Bank, Ltd.</p> <p>June 2019 Advisor of MUFG Bank, Ltd. (current)</p> <p>June 2019 President of SANSHIN Co., Ltd. (current)</p> <p>June 2021 Joined the Company, Member of the Managing Board of the Company (current)</p>	N/A
	<p>Reelection Member of the Managing Board (Outside) Independent</p> <p>Attendance to the Meetings of the Managing Board 11/11</p>	<p>(Reasons for Nomination and Expected Role)</p> <p>Hidekazu Fukumoto is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would utilize his knowledge on finance, financial accounting, risk management, etc., as a corporate manager of a financial institution, as well as his abundant experience and deep insight in the business world for management of the Company by expressing his opinions at the Meetings of the Managing Board. He is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management. His term of office as a Member of the Managing Board (Outside) will be one year at the conclusion of this Meeting.</p> <p>Although he worked for many years at MUFG Bank, Ltd., with which the Company has regular transactions, the bank is neither a financial institution on which the Company relies to the extent that it is not substitutable nor a business partner that has influence over the Company's decision making. Furthermore, the Company has no transactions with SANSHIN Co., Ltd. He, therefore, satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange, Inc. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>	

- Notes:
1. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, thereby covering damages and litigation expenses, etc. incurred by the insureds, including Members of the Managing Board of the Company. If each candidate is elected as Member of the Managing Board, the Company plans to include him or her as an insured in the insurance policy. The policy is scheduled to be renewed on July 1, 2022, during the term of office of the candidates.
 2. Kaoru Asano is President of Medicaroid Corporation. In addition to transactional relationships such as sales and purchase of products existing between the Company and the said company, the Company provides guarantees for bank borrowings of the said company.
 3. Masayo Takahashi is President of Vision Care Inc., and the Company has a business relationship with Vision Care Inc. on the basis of research and development contracts. Furthermore, she is President of

VCCT Inc. and the Company has received a portion of bonds with share acquisition rights issued by VCCT Inc.

4. There is no special interest between each of the other candidates and the Company.
5. Masayo Takahashi, Kazuo Ota and Hidekazu Fukumoto are to be elected as Members of the Managing Board (Outside).
6. In accordance with the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Masayo Takahashi, Kazuo Ota, and Hidekazu Fukumoto to limit their liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act. If each of them is elected, the Company intends to continue the agreements with each of them.
7. MUFG Bank, Ltd., where Hidekazu Fukumoto was in office as Member of the Board of Directors, agreed with the U.S. Office of the Controller of the Currency (OCC) to make improvements regarding deficiencies identified by OCC in the bank's internal management systems, etc., for prevention of money laundering in accordance with the U.S. Bank Secrecy Act.

Bill No. 4 Election of Three (3) Members of the Managing Board Who Are Audit and Supervisory Committee Members

The terms of office of all three (3) Members of the Managing Board who are Audit and Supervisory Committee Members will expire at the conclusion of this Meeting.

Accordingly, the Company requests the election of three (3) Members of the Managing Board who are Audit and Supervisory Committee Members.

Please note that the approval of the Audit and Supervisory Committee has been obtained for this Bill.

The candidates for Members of the Managing Board who are Audit and Supervisory Committee Members are as follows:

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
1	<u>New election</u> Tomoo Aramaki (August 16, 1966)	<p>April 1989 Joined the Company</p> <p>April 2019 Executive Vice President of the Business Administration of the Company</p> <p>April 2022 Executive Planner of the Business Administration of the Company (current)</p> <p>(Reasons for Nomination) Tomoo Aramaki has long been involved in the business administration department of the Group and has also served as the head of the business administration department of the Company's overseas subsidiaries, and therefore he is appointed as a candidate for a Member of the Managing Board who is an Audit and Supervisory Committee Member in the expectation that he would properly fulfill his role as a Member of the Managing Board who is an Audit and Supervisory Committee Member with a wealth of experience and insight by stating objective opinions from a neutral standpoint.</p>	3,000

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
2	<p>Reelection Member of the Managing Board (Outside) Independent</p> <p>Kazumasa Hashimoto (April 3, 1953)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p> <p>Attendance to the Meetings of the Audit and Supervisory Committee 17/17</p>	<p>April 1976 Joined The Sumitomo Bank, Limited (presently Sumitomo Mitsui Banking Corporation)</p> <p>April 2004 Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p>April 2007 Managing Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p>June 2010 President and Representative Director of Ginsen Co., Ltd.</p> <p>June 2014 President and Representative Director, and Chief Operating Officer of Kansai Urban Banking Corporation (presently Kansai Mirai Bank, Limited)</p> <p>June 2016 Chairman of the Board, President and Representative Director of Kansai Urban Banking Corporation</p> <p>April 2018 Representative Director and President of Kansai Mirai Financial Group, Inc.</p> <p>April 2019 Chairman of Kansai Mirai Bank, Limited. (current)</p> <p>June 2019 Outside Corporate Auditor of THE ROYAL HOTEL, LIMITED (current)</p> <p>June 2020 Member of the Managing Board (Audit and Supervisory Committee Member) of the Company (current)</p>	N/A
		<p>(Reasons for Nomination and Overview of Expected Role)</p> <p>Kazumasa Hashimoto is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would fulfill his role of ensuring the soundness and transparency of the management and the auditing and supervisory functions from the standpoint of an Audit and Supervisory Committee Member with a wealth of experience and knowledge of finance and accounting as a corporate manager of a financial institution.</p> <p>His term of office as a Member of the Managing Board (Outside) who is an Audit and Supervisory Committee Member will be two years at the conclusion of this Meeting.</p> <p>The Company has no business relationship with Kansai Mirai Bank, Limited and THE ROYAL HOTEL, LIMITED. He, therefore, satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange, Inc. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>	

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
3	<p>Reelection Member of the Managing Board (Outside) Independent</p> <p>Michihide Iwasa (August 8, 1956)</p> <p>Attendance to the Meetings of the Managing Board 15/15</p> <p>Attendance to the Meetings of the Audit and Supervisory Committee 17/17</p>	<p>April 1979 Joined Kobe Steel, Ltd.</p> <p>April 2009 Trustee of Kobe Steel, Ltd.</p> <p>April 2010 Executive Officer of Kobe Steel, Ltd.</p> <p>April 2012 Managing Executive Officer of Kobe Steel, Ltd.</p> <p>June 2014 Representative Director and President of Kobelco Logistics, Ltd.</p> <p>June 2020 Member of the Managing Board (Audit and Supervisory Committee Member) of the Company (current)</p>	N/A
		<p>(Reasons for Nomination and Overview of Expected Role)</p> <p>Michihide Iwasa is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would fulfill his role of ensuring the soundness and transparency of the management and the auditing and supervisory functions from the standpoint of an Audit and Supervisory Committee Member with a wealth of experience and broad insight in corporate management.</p> <p>His term of office as a Member of the Managing Board (Outside) who is an Audit and Supervisory Committee Member will be two years at the conclusion of this Meeting.</p> <p>He satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>	

- Notes:
1. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, thereby covering damages and litigation expenses, etc. incurred by the insureds, including Members of the Managing Board of the Company. If each candidate is elected as Member of the Managing Board, the Company plans to include him or her as an insured in the insurance policy. The policy is scheduled to be renewed on July 1, 2022, during the term of office of the candidates.
 2. There is no special interest between the candidate and the Company.
 3. Kazumasa Hashimoto and Michihide Iwasa are to be elected as Members of the Managing Board (Outside).
 4. In accordance with the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Kazumasa Hashimoto and Michihide Iwasa to limit their liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act. If each of them is elected, the Company intends to continue the agreements with both of them.

Reference

Skills matrix of the Managing Board after the close of this Ordinary General Meeting of Shareholders

	Name	Position, duties, etc. (tentative)	Skills and experience				
			Corporate management	Management and business planning	Global	Sales and service	Research and development
Member of the Managing Board (Internal)	Hisashi Ietsugu	Chairman and CEO	●	●		●	
	Kaoru Asano	Member of the Managing Board and Senior Executive Officer, Senior Managing Director, CTO R&D, Incubation and MR Business	●	●			●
	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	●	●	●	●	
	Iwane Matsui	Member of the Managing Board and Senior Executive Officer, Managing Director Global Marketing	●	●	●	●	
	Hiroshi Kanda	Member of the Managing Board and Senior Executive Officer, Managing Director Business Strategy Development	●	●	●	●	
	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer, Managing Director R&D, Incubation and MR Business (Assistant)	●	●			●
	Tomoo Aramaki	Member of the Managing Board (Full-time Audit and Supervisory Committee Member)			●		

	Name	Position, duties, etc. (tentative)	Skills, experience and duties (tentative)			
			Production/ SCM	IT/DX	Finance/ accounting	Human resources/ general affairs
Member of the Managing Board (Internal)	Hisashi Ietsugu	Chairman and CEO			●	●
	Kaoru Asano	Member of the Managing Board and Senior Executive Officer, Senior Managing Director, CTO R&D, Incubation and MR Business		●		
	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	●	●		
	Iwane Matsui	Member of the Managing Board and Senior Executive Officer, Managing Director Global Marketing		●		
	Hiroshi Kanda	Member of the Managing Board and Senior Executive Officer, Managing Director Business Strategy Development	●			
	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer, Managing Director R&D, Incubation and MR Business (Assistant)				
	Tomoo Aramaki	Member of the Managing Board (Full-time Audit and Supervisory Committee Member)			●	

- Notes:
1. The Representative Director will be appointed at a Meeting of the Managing Board to be held after the conclusion of this Ordinary General Meeting of Shareholders.
 2. Full-time Audit and Supervisory Committee Members will be appointed at a Meeting of the Audit and Supervisory Committee to be held after the conclusion of this Ordinary General Meeting of Shareholders.
 3. The above represents the main skills and experience of each Member of the Managing Board and does not represent all skills and experience.

	Name	Position, duties, etc. (tentative)	Skills and experience				
			Corporate management	Management and business planning	Global	Sales and service	Research and development
Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside)	●		●		●
	Kazuo Ota	Independent Member of the Managing Board (Outside)	●	●	●		
	Hidekazu Fukumoto	Independent Member of the Managing Board (Outside)	●	●		●	
	Kazumasa Hashimoto	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●	●		●	
	Michihide Iwasa	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●				

	Name	Position, duties, etc. (tentative)	Skills, experience and duties (tentative)			
			Production/SCM	IT/DX	Finance/accounting	Human resources/general affairs
Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside)				●
	Kazuo Ota	Independent Member of the Managing Board (Outside)		●	●	●
	Hidekazu Fukumoto	Independent Member of the Managing Board (Outside)			●	●
	Kazumasa Hashimoto	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)			●	●
	Michihide Iwasa	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●			

- Notes:
1. The Representative Director will be appointed at a Meeting of the Managing Board to be held after the conclusion of this Ordinary General Meeting of Shareholders.
 2. Full-time Audit and Supervisory Committee Members will be appointed at a Meeting of the Audit and Supervisory Committee to be held after the conclusion of this Ordinary General Meeting of Shareholders.
 3. The above represents the main skills and experience of each Member of the Managing Board and does not represent all skills and experience.

Definition of skills and experience

Item	Definition
Corporate management	Management experience as a representative, executive director, executive officer, etc. at a company, organization, etc.
Management and business planning	Experience and knowledge of management planning, business strategy, planning, promotion, etc. as a practicing, managing, or executive officer in charge, etc.
Global	Experience of overseas assignment
Sales and service	Experience and knowledge of domestic and overseas sales, marketing, technical services, etc. as a practicing, managing, or executive officer in charge, etc.
Research and development	Experience and knowledge of technology strategy, technology and product development, IT development, intellectual property, etc. as a practicing, managing, or executive officer in charge, etc.
Production/SCM	Experience and knowledge of production, procurement, logistics, quality, etc. as a practicing, managing, or executive officer in charge, etc.
IT/DX	Experience and knowledge of IT/DX, etc. as a practicing, managing, or executive officer in charge, etc.
Finance/accounting	Experience and knowledge of accounting, finance, business administration, etc. as a practicing, managing, or executive officer in charge, etc.
Human resources/general affairs	Experience and knowledge of human resources, labor affairs, human resources development, diversity, legal affairs, compliance, etc. as a practicing, managing, or executive officer in charge, etc.

Note: Judgment is made based on whether or not the Member of the Managing Board has a total of about three years of experience in each of the items stated on the left.

Reference

Nomination of candidates for Members of the Managing Board, etc.

■ Nomination of candidates for Members of the Managing Board

The Managing Board nominates candidates for Internal Members of the Managing Board (excluding Members of the Managing Board who are Audit and Supervisory Committee Members) based on a balance of knowledge, experience, and ability to make accurate and prompt decisions, manage risks appropriately, monitor business execution, and cover each functional and business unit of the Company, as well as those with sufficient social credibility.

The candidates for Members of the Managing Board (Outside) (excluding Members of the Managing Board who are Audit and Supervisory Committee Members) must have abundant work experience and broad insight, and be able to provide appropriate advice to the Company's management.

In the event that it is difficult to satisfy the above requirements for appointment, the Managing Board shall make a decision on the dismissal of the Members of the Managing Board (excluding Members of the Managing Board who are Audit and Supervisory Committee Members).

In addition, the Managing Board shall comprehensively consider candidates for Audit and Supervisory Committee Members, taking into consideration their knowledge of finance and accounting, their knowledge of the Company's business fields, and their diverse perspectives on corporate management.

In the event that it is difficult to satisfy the above requirements for appointment, the Managing Board, with the consent of the Audit and Supervisory Committee, shall make a decision on the dismissal of the Audit and Supervisory Committee Member.

■ Procedures

The Nominating Committee, which is an advisory body to the Managing Board, shall consider the details of the decision to nominate or dismiss a Member of the Managing Board candidate in accordance with the above policy, and the Managing Board shall pass a resolution thereon. The Managing Board shall obtain the consent of the Audit and Supervisory Committee with respect to proposals for the election or dismissal of Audit and Supervisory Committee Members.

■ Explanation of individual selection, dismissal, and nomination

The brief personal histories and reasons for the nomination of each candidate for Members of the Managing Board and the reasons for the dismissal of Directors shall be included in the notice of the General Meeting of Shareholders.

Reference

Independence Standards for Outside Members of the Managing Board

The Company has established the following Independence Standards for Outside Members of the Managing Board, and considers a Member of the Managing Board to be independent of the Company and not likely to have a conflict of interest with general shareholders if the Member of the Managing Board (Outside) does not fall under any of the following items.

(Internal related)

(i) An executing person (*1) of the Company and its subsidiaries (below, the “Group”) or a person who was previously an executing person of the Group.

(Major business partner)

(ii) A person whose major business partner (*2) is the Group or its executing person

(iii) A major business partner (*3) of the Group or its executing person

(Professional service provider)

(iv) Consultant, accounting expert, or legal expert who receives a large amount of money or other assets (*4) from the Group other than remuneration for officers.

(If the person receiving such property is a corporation, partnership or other organization, a member of such organization)

(v) A person who belongs to an auditing firm that performs legal audits of the Group

(Donations or grants)

(vi) A person who has received a donation or grant exceeding a certain amount (*5) from the Group (if the donee or grant recipient is a corporation, partnership, or other organization, an executing person of such organization)

(Lender)

(vii) An executing person of a major financial institution (*6) from which the Group borrows, or its parent company or subsidiary

(Major shareholder)

(viii) A major shareholder of the Group (*7) or, if such major shareholder is a corporation, an executing person of such corporation

(ix) An executing person of a company in which the Group is a major shareholder

(Mutual dispatch of officers)

(x) An executing person of a company that has a relationship of mutual dispatch of outside officers with the Group (a case in which an executing person employed by the Group is an outside officer of another company and the executing person employed by that other company is an outside officer of the Group)

(xi) A person who has fallen under (ii) through (x) above in the past three years

(xii) Close relative, etc. (*9) of a person falling under (i) through (xi) above (limited to a person in an important position (*8))

*1 An executing person means an executive as defined in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act, and includes not only executive Members of the Managing Board but also employees.

*2 A person whose major business partner is the Group means a business partner that provides products or services to the Group and whose transaction amount in the most recent fiscal year exceeds 2% of the annual consolidated net sales of the relevant business partner.

*3 A major business partner of the Group means business partner to whom the Group provides products or services and the transaction amount in the most recent fiscal year exceeds 2% of the annual consolidated net sales of the Group.

*4 A large amount of money or other assets means money or other asset income exceeding 10 million yen per year in the most recent fiscal year, other than remuneration for officers (if the person obtaining such asset is an organization such as a corporation, partnership, etc., it means money or other asset income in excess of 2% of the consolidated net sales of the organization for the most recent fiscal year).

*5 A donation or grant exceeding a certain amount means a donation or grant in excess of the higher of an average of 10 million yen per year for the past three fiscal years or 2% of the gross income of the person in question for the most recent fiscal year.

*6 A major financial institution means a financial institution or other major creditor that is essential to the Group’s financing at present or in the past three years, and on which the Group relies to the extent that it is not substitutable.

- *7 A major shareholder is a shareholder who holds 10% or more of the voting rights (including both direct and indirect holdings).
- *8 A person in an important position means a Member of the Managing Board (excluding a Member of the Managing Board (Outside)), executive officer, employee in senior managerial positions above the rank of general manager, certified public accountant among those belonging to an audit firm or accounting firm, lawyer among those belonging to a law firm, trustee, director, auditor or other officer among those belonging to a foundation, incorporated association, academic corporation, or other corporation, or any other person objectively and reasonably judged to be of equal importance.
- *9 A close relative, etc. means a spouse or relative within the second degree of kinship.

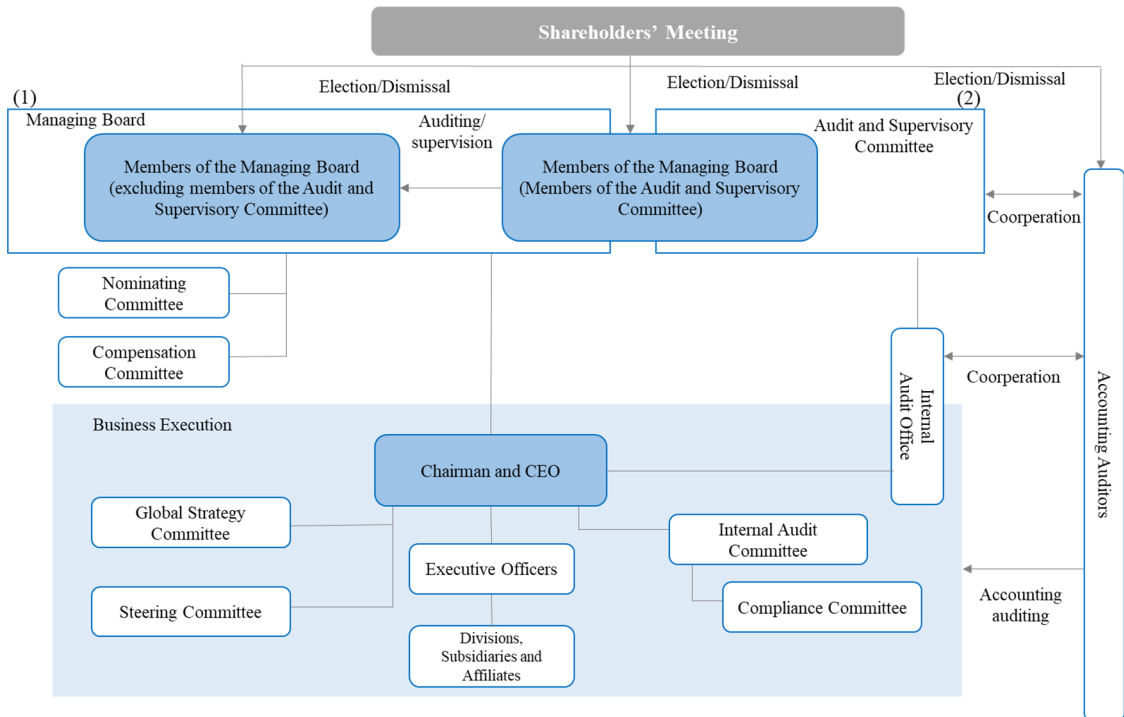
Reference

Corporate Governance

■ Basic Policy on Corporate Governance

Systemex positions the strengthening of corporate governance as one of its most important management issues. Based on the Systemex Way, the Group’s corporate philosophy, Systemex aims to maximize the corporate value of the entire Group by enhancing management soundness and transparency, and by improving management speed and efficiency.

■ Organization chart



■ Corporate governance initiatives

(1) Managing Board

The Managing Board, consisting of 12 Members of the Managing Board (including one female Member of the Managing Board), is responsible for making important management decisions and supervising the execution of duties, and basically holds a regular meeting once a month and extraordinary meetings as necessary.

In the fiscal year ended March 31, 2022, the Meetings of the Managing Board were held 15 times.

The Nominating Committee serves as an advisory body to the Managing Board regarding the nomination of Members of the Managing Board, and the Compensation Committee serves as an advisory body to the Managing Board regarding decisions on executive compensation and other matters. The majority of each committee consists of Independent Members of the Managing Board (Outside) and each committee holds meetings as necessary.

Name of meeting	Function and details	Composition
Nominating Committee	Advisory body to the Managing Board regarding nomination of officers	President, Members of the Managing Board (2), Independent Members of the Managing Board (Outside) (4)
Compensation Committee	Advisory body to the Managing Board regarding officer compensation	President, Members of the Managing Board (2), Independent Members of the Managing Board (Outside) (4)

(2) Audit and Supervisory Committee

The Audit and Supervisory Committee, consisting of three Audit and Supervisory Committee Members (including two Members of the Managing Board (Outside)), holds a meeting at least once every three months, mainly as a statutory independent body for decision-making to audit the execution of duties by Members of the Managing Board.

In addition to the Meetings of the Audit and Supervisory Committee and the Meetings of the Managing Board, the Audit and Supervisory Committee Members attend Global Strategy Committees and Steering Committees, etc. to appropriately monitor the execution of duties by Members of the Managing Board. In the fiscal year ended March 31, 2022, the Meetings of the Audit and Supervisory Committee were held 17 times.

In addition, the Audit and Supervisory Committee utilizes the Company's internal control system and other systems to conduct audits in close cooperation with the internal audit department and the department responsible for internal control, and can give instructions to the internal audit department as necessary. The Audit and Supervisory Committee closely cooperates with the Accounting Auditors by mutually exchanging information and opinions on internal control over financial reporting, etc., in addition to confirming the accounting audit plan and the results of the accounting audit.

The Audit and Supervisory Committee will continue to audit and supervise Members of the Managing Board appropriately in accordance with laws and regulations to enhance the soundness of management.

Other meetings

The Global Strategy Committees, consisting of the President and executive officers, is held basically once a month to discuss and deliberate on the medium- to long-term management direction of the Group and important strategies and issues.

The Steering Committees, consisting of 17 executive officers (including five concurrently serving as Members of the Managing Board), is held basically once a month to discuss, deliberate, and report on important matters related to the promotion of the Group's annual plan.

The Internal Control Committees, consisting of the President, executive officers in charge, and full-time Audit and Supervisory Committee Members, is held basically four times a year to discuss and report on important matters related to overall internal control of the Group, including risk management.

The Compliance Committees, consisting of executive officers and some division heads, is held basically twice a year to deliberate and report on important matters related to the Group's compliance.