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May 21, 2024

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Notification of the Board of Directors' Opinion on Shareholders Proposal

Regarding the document upon execution of the shareholder proposal right and request of notification on the summary of agenda at the Company's 73rd Ordinary General Meeting of Shareholders (the "General Meeting") that the Company received on April 23, 2024 (the "Shareholder Proposal") from GLOBAL ESG STRATEGY（WALKERS CORPORATE LIMITED 190 ELGIN AVENUE GEORGE TOWN GRAND CAYMAN KY1－9008 CAYMAN ISLANDS）(Mr. Yasuto Monden, Director), our shareholder (the "Shareholder"), it was resolved at the Company's Board of Directors held today that the Company opposes all of the agenda items.

1. Summary and Grounds of Shareholder Proposal

(1) Agenda

Agenda 1	Appropriation of surplus
Agenda 2	Partial amendment of Articles of Incorporation (Surplus dividend policy)
Agenda 3	Abolishment of the Takeover Defense Measures
Agenda 4	Partial amendment of the Articles of Incorporation (Shareholder Interview with director)

Above Agenda 1, Agenda 2, Agenda 3 and Agenda 4 shall be respectively referred to "Agenda 1", "Agenda 2", "Agenda 3" and "Agenda 4".

(2) Content of and Grounds for Proposal

For the summary of and grounds for Agenda 1, Agenda 2, Agenda 3 and Agenda 4, please see the attachment. The attachment contains the original text of "Summary of Agenda" and "Grounds for Proposal" in the Shareholder Proposal submitted by the Shareholder.

2. Relation between Shareholder and Swiss-Asia Financial Services Pte. Ltd.

In the Amendment Report of the Large Volume Holding Report published as of February 9, 2024, it is stated that Swiss-Asia Financial Services Pte. Ltd. holds the shares of the Company as of February 9, 2024. It is our understanding that the Shareholder is an investment fund managed by Swiss-Asia Financial Services Pte. Ltd. and Mr. Yasuto Monden, the representative of the Shareholder, is in charge of the operation of the Shareholder at Swiss-Asia Financial Services Pte. Ltd.

On the list of institutional investors that accepted "the Principles of Responsible Institutional Investors 'Stewardship Code of Japan' for sustainable growth of companies through investment and dialogue" released by the Financial Service Agency, we could not confirm the registration of Swiss-Asia Financial Services Pte. Ltd. nor the Shareholder (as of March 31, 2024).

3. Opinion of the Board of Directors

(1) Agenda 1: Appropriation of surplus

(A) Opinion of the Board of Directors

- **The Board of Directors objects to the "Agenda 1."**

(B) Reason for the objection

- Setting "increase of dividends in line with sustainable profit growth" as its basic policy on shareholder return, the Board has, with an aim for continuous increase in both the total dividend amount and dividend ratio, continuously improved its total dividend amount and dividend ratio as shown in the table below in the fiscal year ending March 2022 and the fiscal year ending March 2023, and it is expected to realize further improvement in the fiscal Year ending March 2024.

(in million JPY)

	FY ending March 2022	FY ending March 2023	FY ending March 2024
Net Sales	35,491	38,886	41,922
Operating profit	1,342	1,912	1,918
Net income	1,031	1,269	1,457
Dividend per share	JPY 22	JPY 33	JPY 74 (planned)
Dividend ratio	19.4%	23.4%	45.5% (planned)

- Furthermore, with the belief that making business investments that will lead to future profit growth while aiming to increase corporate value over the medium to long term will also contribute to the enhancement of shareholders' interests, the Board revised the "Medium-term Management Plan 2025" on March 25, 2024 as shown in the following table and has investment to enhance human capital, new business and function.

	Before revision	After revision
Target and purpose of business investment	New business development & functional enhancement	Human capital investment & new business development & functional enhancement
Planned amount of business investment	JPY 3 billion	JPY 6 billion

- As announced in the "Notice Concerning Dividends of Surplus" dated May 21, 2024, the Company's Board of Directors resolved to submit a proposal for the dividends of surplus (year-end dividend of JPY 74 per share) with a record date of March 31, 2024 to General Meeting. The Company's dividend proposal is such that is based on the "Medium-term Management Plan 2025" and aims to achieve continuous profit growth while continuously increasing profit return to shareholders (dividend increase) in line with such growth. In contrast, this Proposal No.5 calls for JPY 163 as year-end dividend per share for the current fiscal year, equivalent to 10% of the dividend on equity (DOE). We are compelled to view this as a proposal that priority should be given to short-term profit return to shareholders rather than the Company making business investments that will lead to future profit growth or achieving continuous profit growth while continuously increasing profit return to shareholders (dividend increase) in line with such growth.

・ In contrast, this Agenda1 calls for JPY 163 as year-end dividend per share for the current fiscal year, equivalent to 10% of the dividend on equity (DOE). We are compelled to view this as a proposal that priority should be given to short-term profit return to shareholders rather than the Company making business investments that will lead to future profit growth or achieving continuous profit growth while continuously increasing profit return to shareholders (dividend increase) in line with such growth.

Accordingly, the Board opposes the "Agenda1."

(2) Agenda 2 : Partial amendment of Articles of Incorporation (Surplus dividend policy)

(A) Opinion of the Board of Directors

・ **The Board of Directors objects to the "Agenda 2"**

(B) Reason for the objection

・ As mentioned in "Agenda 1: Appropriation of surplus" (1)(B), the 'Board has set "increase of dividends in line with sustainable profit growth" as its basic policy on shareholder return, and has increased the total amount of dividends and dividend ratio over the fiscal years ending March 31, 2022 and 2023, and expects to realize further increases in the fiscal year ending March 2024. The Board is determined to achieve "increase of dividends in line with sustainable profit growth" based on a medium- to long-term perspective.

・ This Agenda 2 " proposes to adopt a dividend policy that the amount of annual dividends for FY2024 and FY2025 shall satisfy the higher of 100% of the dividend ratio or 10% of the dividend on equity (DOE), and to stipulate in the Articles of Incorporation that the amount of annual dividends shall be determined pursuant to such dividend policy to the extent permitted under laws and regulations.""
However, we cannot help but view this Agenda 2 as a proposal that the Company should give priority to returning profits to shareholders in the short term, rather than making business investments that will lead to future profit growth, or achieving both sustained profit growth and sustained improvement in the return of profits to shareholders (increased dividends) in line with such growth.

・ In addition, if the clause in this Agenda 2" was to be stipulated in the Articles of Incorporation, the amount of dividends will be determined by a uniform calculation method regardless of the Company's business performance and the need for funds to be used for business investment. Therefore, it is clear that the mobility and flexibility to determine effective investment plans and other uses of funds that will lead to future profit growth will be impaired.

Accordingly, the Board opposes the "Agenda 2"

(3) Agenda 3 : Abolishment of the Takeover Defense Measures

(A) Opinion of the Board of Directors

・ **The Board of Directors objects to the "Agenda 3."**

(B) Reason for the objection

・ The Company and its subsidiaries (the "Group") work closely with customers and exchange confidential information related to technology, some of which are core technologies that are very important to the customers and are used for the Group's main business.

・ Under these circumstances, if a large-scale purchase is made to the Company without sufficient consideration and a change of control is implemented, it is possible that the corporate value of the Group and the shareholders' common interests cannot be protected if, together with the risk of leakage of such confidential information, the Group is prohibited from using, and required to return, confidential information provided to the Group by its customers.

・ Based on such circumstances, the Board has concluded that, in order to protect the corporate value of the Group and the shareholders' common interests, it is necessary to continue the "Takeover Response Policies" that ensure a process where it may request information from the large-scale purchaser, followed by consideration and assessment of such information by the Board. By the affirmative votes of all directors, including all of the independent outside directors, it was resolved that the following points in particular should be revised and submitted as an agenda item at this General Meeting.

(i) Regarding the Independent Committee, whose advice is to be respected at the Board as much as possible, it has been decided to include the statement into the Independent Committee Rules that the Independent Committee consists of independent outside directors;

(ii) It has been decided that, when the Purchaser is in compliance with the procedures pursuant to the takeover response policies and the Board intends to resolve to implement countermeasures, a general meeting of shareholders shall be convened to take a resolution regarding whether or not to do that.

Accordingly, the Board opposes the "Agenda 3."

We would like to summarize the counterarguments by the Board against the statements (i) and (ii) in "Grounds for Proposal" of the Shareholder Proposal made by the Proposing Shareholder.

【Agenda 3 ／Grounds for Proposal】

(i) **With** development and prevalence of regulations on large-scale purchases of shares and the Corporate Governance Code, **the Guidelines for Corporate Takeovers**, and normalization of purchases aiming at the development of companies after purchases, **the significance of takeover defense measures has decreased** and fewer companies are adopting such measures.

The Company stated in 2009 that it would "return to the principle of capitalism" that a company belongs to shareholders and abolished a similar policy. However, ten years later, (ii) **the Company "reintroduced" such policy** upon a purchase by a specific shareholder, **by a resolution at the board** of directors of the Company**, on the ground of an emergency event, which can be described as a highly outdated decision.** It should be left to shareholders to determine whether or not an increase of the influence of a specific shareholder is beneficial to the Company's corporate value and shareholders' common interests. The Company's takeover defense measures are based on the premise that it may be abolished at a general meeting of shareholders8. In accordance with such provision, we propose the abolishment of the Company's takeover defense measures.

(i) With … the Guidelines for Corporate Takeovers the significance of takeover defense measure has decreased

【It cannot be said that the significance of establishing the "Takeover Response Policies" has decreased】

Takeovers－Enhancing Corporate Value and Securing Shareholders' Interests－" (the "Guidelines for Corporate Takeovers") published by the Ministry of Economy, Trade and Industry on August 31, 2023, includes the following statements in "Chapter 5 Takeover Response Policies and Countermeasures" and acknowledges its significance.

・ There is a possibility that corporate value and the shareholders' common interests may be harmed, if the acquisition is made without providing the target company and its shareholders the necessary time and information, or if the acquiring party acquires corporate control for the purpose of obtaining unjustified profits at the expense of the target company and its general shareholders.

・ Currently, companies do not deal with such situations only through legal processes such as the tender offer regulation. Rather, depending on the circumstance, they may adopt a response policy including possible countermeasures against acquisitions typically using gratis issue of stock acquisition rights with unequal terms (takeover response policies), and invoke the countermeasure based on this policy, which has been recognized by court decisions as lawful in some cases.

・ If used appropriately, such takeover response policies may enable the shareholders to be furnished with sufficient information and time to consider, equip the board of directors with negotiating power in relation with the acquiring party, and contribute to ensure shareholders' common interests and transparency by extracting more favorable acquisition terms from the acquiring party or other third parties.

(ii) the Company "reintroduced" such policy by a resolution at the Board, on the ground of an emergency event, which can be described as a highly outdated decision

【The high court decision justifies the Company's reintroduction of the Takeover Response Policies】
In the Nagoya High Court decision on the "2021 (Ra) No. 138 – Case of Appeal Pertaining to Provisional Remedy against the Decision on Case of Objection to Provisional Remedy" (Nagoya High Court Decision of April 22, 2021), the reasons for decision include the following statements, justifying the Company's reintroduction of the Takeover Response Policies.

- The Company's Takeover Defense Plan cannot be said to have been introduced to prevent takeover or to protect the management team in an emergency event.
- It cannot be said that there is a problem in itself for a stock company to reintroduce takeover defense measures once abolished.
- As of April 23, 2019, when the board of directors of the Company resolved to introduce the Takeover Defense Plan, the Company had come to possess far more confidential information related to customers' technology than it did when the former plan was abolished, and the Company resolved to introduce the Takeover Defense Plan based on business judgment that a change of control by a unilateral large-scale purchase could lead to leakage of confidential information and damage to favorable relationships between the Company and its stakeholders. The introduction of the Takeover Defense Plan was approved by the large majority of the shareholders through the resolutions of the general meeting of shareholders. As such, it cannot be said that the resolution to introduce the Takeover Defense Plan under such circumstances is contrary to the principle of good faith and invalid.

Accordingly, the Board opposes the "Agenda 3".

The Board has been decided not to treat "Agenda 3" as an individual agenda at the General Meeting but to treat as an expression of opposition to the " Continuation of response policies to large-scale purchases of the company's shares (Takeover Response Policies)", which the Company will submit as a company proposal to the General Meeting.

(4) Agenda 4: Partial amendment of the Articles of Incorporation (Shareholder Interview with director)

(A) Opinion of the Board of Directors

- **The Board of Directors objects to the "Agenda 4"**

(B) Reason for the objection

- The Board has compiled the Corporate Governance Report and the status of initiatives under the Corporate Governance Code (https://www.nip.co.jp/english/esg/.assets/CorporateGovernanceCode_en.pdf), and has disclosed in Principle 5-1 as "Policy on Constructive Discussion with Shareholders" (the "Discussion Policy") that "the Company responds to requests for discussion (interviews) from shareholders within a reasonable scope and manner, taking into consideration the shareholder's requests and main concerns, mainly through the director in charge of investor relations or the person in charge of investor relations".
- Based on the Discussion Policy, the director in charge of investor relations and the person in charge of investor relations of the Company strive to respond sincerely to each request for discussion from shareholders, including institutional investors.
- Although the Company received a request from the Proposing Shareholder for individual interviews with all directors, the Board, in accordance with the Discussion Policy, proposed the interviews with multiple directors as a "reasonable scope and manner" and through this manner, all directors, including the President, have responded to the request on multiple occasions.
- While the Board believes that it is a matter of course that each shareholder should evaluate each director of the Company based on the details and results of the performance of his or her duties, it

does not believe that it is necessary for specific shareholders to set up individual interviews with each director to evaluate him or her.

- If the clause of this Agenda 4 was to be stipulated in the Articles of Incorporation, it would be mandatory for all directors of the Company to hold individual interviews with specific shareholders and it would make each director of the Company is required to agree to such individual meetings even if they are not conducted within a reasonable scope or manner.
- Since the Company's resources for responding to dialogue with shareholders are limited, if each director is obliged to meet with a particular shareholder individually beyond a reasonable scope and manner, it may affect the implementation of constructive dialogue with other shareholders and dialogue other than individual meetings (such as briefings and IR activities), which may lead to an impact on a sustainable improvement of the Company's corporate value and, in turn, on the common interests of our shareholders.

Accordingly, the Board opposes the " Agenda 4".

＜Exhibit＞

＜Shareholder Proposal＞

Note: The following contents are the " Summary of Agenda" and "Grounds for Proposal" regarding each agenda item stated in (the “Shareholder Proposal”.

Ⅰ. Agenda to be proposed

Agenda 1: Appropriation of surplus

Agenda 2: Partial amendment of Articles of Incorporation (Surplus dividend policy)

Agenda 3: Abolishment of the Takeover Defense Measures

Agenda 4: Partial amendment of the Articles of Incorporation (Shareholder Interview with director)

Ⅱ. Summary of Agenda and Grounds for Proposal etc.,

1. Agenda1: Appropriation of surplus

(1) Summary of Agenda

The appropriation of surplus is decided as follows.

Regarding this agenda, in the event that any of the board of directors of the Company or the Company’s shareholders other than GLOBAL ESG STRATEGY makes a proposal to the appropriation of surplus at the General Meeting of Shareholders, such proposal shall be added separately from the following.

(A) Types of dividends

Cash

(B) Dividend amount per share

JPY 163, less the amount of surplus dividend per share under the agenda regarding appropriation of surplus approved at the General Meeting of Shareholders submitted by the board of directors of the Company or the Company’s shareholders other than GLOBAL ESG STRATEGY (if such agenda regarding appropriation of surplus is not submitted at the General Meeting of Shareholders, JPY 163)

(C) Allocation of dividend property and the total amount

Dividend amount per share as described in (B) above

(The total dividend amount is obtained by multiplying the dividend amount per share by the total number of the Company’s issued shares as of March 31, 2024 (excluding treasury shares)

(D) Effective date of the dividend of surplus

The day of the General Meeting of Shareholders

(E) Dividend payment start date

July 16, 2024 (Tuesday)

(2) Grounds for Proposal

The Company has amended its mid-term management plan[1] in March this year, which set the amount of investment in human resource capital and growth investment at JPY 6 billion and including a plan to increase the dividend ratio to 50% and continue such increase. While the Company owned approximately JPY 2.9 billion of net cash[2] but insisted to us that net cash was the best capital structure, it deserves

[1] “Mid-term Management Plan 2025” as of March 25, 2024. https://www.nip.co.jp/english/ir/.assets/cyukei2025_en.pdf

[2] The net cash figures are on a consolidated basis as of December 31, 2023.

certain credit that the Company announced a capital plan that results in net debt.

Still, the Company will continue to have a large amount of financial reserves and it cannot be described as a sufficiently efficient capital plan. This plan still deviates from the "management focusing on capital costs based on the balance sheet and return on capital[3]" requested by the Tokyo Stock Exchange. Since the Company has not presented a sufficient investment plan at this point, we propose a 10 % dividend on equity (DOE) as a daring return to shareholders. On the assumption of 10% DOE and 3% dividend yield, the Company's stock price is expected to increase to approximately JPY 5,450 (approximately three times the current stock price).

2. Agenda 2 : Partial amendment of Articles of Incorporation (Surplus dividend policy)

(1) Summary of Agenda

In "Chapter 6: Calculation" of the current Articles of Incorporation, the following clause will be newly added as Article 35 and the number of each article from Article 35 shall be lowered by one.

In the event that the clause proposed in this agenda needs a formal adjustment (including but not limited to the adjustment of the numbering of articles) due to the passing of another agenda at the General Meeting of Shareholders (including agenda proposed by the Company), the clause proposed in this agenda shall be read as the clause after such necessary adjustment.

(Surplus Dividend Policy)

Article 35 In determining the amount of the annual surplus dividend in the FY2024 and FY2025, the Company adopts a dividend policy to satisfy the higher of 100% of the dividend ratio (calculated by the total amount of dividend ÷ net income (figures based on the consolidated financial statements)) or 10% of dividend on equity (DOE) (calculated by the total amount of dividend ÷ total net assets (figures based on the consolidated financial statements)) and determines the amount of annual dividends pursuant to such policy to the extent permitted under laws and regulations.

(2) Grounds for Proposal

While there has been an improvement in the Company's investment plan and returns to shareholders in its amended mid-term management plan, the Company still reserves excessive financial reserves, which means the amended plan is insufficient. We propose, in addition to the dividend of 10% of DOE as the year-end dividend of FY2023, to maintain the dividend at the same level through FY2025 as a temporary allowance to return excessive retained earnings to shareholders, and to include the dividend ratio and DOE in the dividend policy.

As we conducted a reasonable verification of a financial impact of the proposed dividend policy under conservative assumptions of sales and profits plan and depreciation and amortization expenses in the Company's amended mid-term management plan, the result was 0.2 times the current net D/E ratio, 0.9 times the net debt/EBITDA, and 47% of the net asset ratio at the end of FY2025. Considering that the Company indicated to us that the Company could borrow four or five times the amount of the net debt/EBITDA from banks, it is clear that this proposal will not impair the financial health of the Company and the Company will continue to have a large financial capacity.

[3] Page 1 of "Measures to realize the management focusing on capital costs and stock price". https://www.jpx.co.jp/equities/follow-up/jr4eth0000004vj2-att/jr4eth0000004w6n.pdf

Estimated changes in financial indicators upon adoption of the Company's dividend policy[4]	FY2023	FY2024	FY2025
Dividend per share (JPY)	74	76	78
Dividend ratio	50.3%	50.0%	50.0%
DOE	4.6%	4.5%	4.4%
Net cash (in million JPY)	1,112	(178)	(1,449)
Net D/E	(0.08)	0.01	0.09
Net debt/EBITDA	(0.36)	0.06	0.45
Net asset ratio	51.6%	52.2%	52.7%

Estimated changes in financial indicators upon adoption of the proposed dividend policy[4]	FY2023	FY2024	FY2025
Dividend per share (JPY)	163	162	161
Dividend ratio	110.8%	106.6%	103.2%
DOE	10.0%	10.0%	10.0%
Net cash (in million JPY)	1,112	(988)	(3,043)
Net D/E	(0.08)	0.07	0.21
Net debt/EBITDA	(0.36)	0.31	0.94
Net asset ratio	51.6%	49.4%	47.5%

3. Agenda 3 : Abolishment of the Takeover Defense Measures

(1) Summary of Agenda

To abolish the countermeasures to large-scale purchase of the Company's shares (Takeover Defense Measures), which was introduced at the Company's Board meeting on April 23, 2019, was resolved to be continued at the 68th Ordinary General Meeting of Shareholders, and most recently, was decided to be continued at the Company's Board meeting as of May 19, 2023 and the 72nd Ordinary General Meeting of Shareholders

(2) Grounds for Proposal

With development and prevalence of regulations on large-scale purchases of shares and the Corporate Governance Code[5], the Guidelines for Corporate Takeovers[6], and normalization of purchases aiming at the development of companies after purchases, the significance of takeover defense measures has decreased and fewer companies are adopting such measures.

The Company stated in 2009 that it would "return to the principle of capitalism" that a company belongs

[4] The net sales are estimated on the assumption that the Company's mid-term management plan target will be achieved on a uniform growth rate, and the net income is estimated on the assumption of the corporate tax rate at 30%. EBITDA is estimated on the assumption that the depreciation and amortization expenses will be the same as in FY2022.

Net cash and net assets in FY2023 are estimated by deducting the three-quarter cumulative net income as of December 31, 2023 from the net income forecast of the Company, on the assumption that the capital investment amount is the same as the depreciation and amortization expenses of the same period. Net cash and net assets of each subsequent period are calculated by adding the amount of net income less the dividend amount to the net assets of the previous term, on the assumption that the capital investment amount is the same as the depreciation and amortization expenses each period, and further assuming that, pursuant to the Company's mid-term management plan, new interest-bearing debts of JPY 3.1 billion are acquired in FY2023 and growth investment of JPY 2 billion is made each year from FY2023 until FY2025. The net asset ratio is calculated on the assumption that the total assets are proportional to net sales.

[5] Corporate Governance Code Principles 1-5 "The purpose of such measures shall not be the protection of the management or the Board".

[6] METI "Guidelines for Corporate Takeovers: Enhancing Corporate Value and Securing Shareholders' Interests" published on August 31, 2023. https://www.meti.go.jp/shingikai/economy/kosei_baishu/pdf/20230831_2.pdf

to shareholders[7] and abolished a similar policy. However, ten years later, the Company "reintroduced" such policy upon a purchase by a specific shareholder, by a resolution at the board of directors of the Company, on the ground of an emergency event, which can be described as a highly outdated decision. It should be left to shareholders to determine whether or not an increase of the influence of a specific shareholder is beneficial to the Company's corporate value and shareholders' common interests. The Company's takeover defense measures are based on the premise that it may be abolished at a general meeting of shareholders[8]. In accordance with such provision, we propose the abolishment of the Company's takeover defense measures.

4. Agenda 4: Partial amendment of the Articles of Incorporation (Shareholder Interview with director)

(1) Summary of Agenda

In the "Chapter 4: Directors and Board" of the current Articles of Incorporation, the following clause will be newly added as Article 29 and the number of each article from Article 29 shall be lowered by one. In the event that the clause proposed in this agenda needs a formal adjustment (including but not limited to the adjustment of the numbering of articles) due to the passing of another agenda at the General Meeting of Shareholders (including agenda proposed by the Company), the clause proposed in this agenda shall be read as the clause after such necessary adjustment.

(Shareholder interview with directors)
Article 29 If a director of the Company receives a request to hold an individual interview from a shareholder who holds no less than 3% of the voting rights of the Company or any person who is authorized to invest on the Company's shares in accordance with a discretionary investment contracts, other contracts or laws and regulations with respect to the Company's shares held by such shareholder (the "Manager"), the director shall hold such interview within 20 business days. If the interview cannot be held within such period due to unavoidable reasons, the director shall notify the shareholder requesting the interview or the Manager thereof within five business days and schedule another date for such interview. Regarding the number of such interviews upon such request, for a shareholder or the Manager, a director (excluding Audit Committee members) shall hold one or more interview per quarter and a director and Audit Committee member shall hold one or more interview per annum.

(2) Grounds for Proposal

In advance of the General Meeting of Shareholders, we have repeatedly requested the Company to hold an individual interview with all of the directors, but only group interviews with the directors were arranged. The Corporate Governance Code provides that a listed company should hold a constructive discussion with shareholders outside the general meeting of shareholders for the enhancement of corporate value[9]. Furthermore, under the principle of equality of shareholders, it is allowed to treat shareholders differently to a reasonable extent in accordance with the number of shares held, under which interviews with major shareholders are not precluded. The inclusion of the directors' obligation to hold an individual interview with major shareholders in the Articles of Incorporation and implementation of such interview not only greatly contribute to the enhancement of corporate value of the Company but also demonstrates the Company's management's transparency and openness. Demonstrating the Company domestically and internationally as a pioneer among other listed companies leads to an increase of the Company's stock price.

end

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7 "Discontinuation of countermeasures to large-scale purchases of the company's share (takeover defense measures)" issued as of May 15, 2009

8 The Company's takeover defense measures: 2. Details of the Plan, (3) Effective term, abolishment and amendment of the Plan

9 Corporate Governance Code, Principle 5