

(Translation)

Securities Code of Japan: 2809

## **Kewpie Corporation**

### **NOTICE OF** **THE 104TH ORDINARY GENERAL MEETING**

Date and hour of meeting:

Friday, February 24, 2017, at 10:00 a.m.  
(Reception to start at 9:00 a.m.)

Place of meeting:

Hall A, Tokyo International Forum

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Matters to be resolved:

Proposition No. 1: Partial amendments to the Articles of Incorporation

Proposition No. 2: Election of 12 Directors

Proposition No. 3: Payment of bonuses to Directors

Proposition No. 4: Disposition of treasury stock via third-party allotment with the objective of supporting the activities of the Kewpie Mirai Tamago Foundation

Proposition No. 5: Continuation of the Defense Plan Against Large Purchase Actions of the Shares of the Company (Takeover Defense Plan)

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# Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



Securities Code of Japan: 2809  
February 3, 2017

To the Shareholders:

## NOTICE OF THE 104TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

Please take notice that the 104th Ordinary General Meeting of Shareholders of the Company will be held as described below.

Since voting rights can be exercised in writing or via the Internet or other means even if you are not present at the meeting, please go over the "Reference Documents for the General Meeting of Shareholders" and the "Exercise of Voting Rights" set forth below and exercise your voting rights.

Yours very truly,

Minesaburo Miyake  
Representative Director  
President and Chief Executive  
Corporate Officer

Kewpie Corporation  
4-13, Shibuya 1-chome,  
Shibuya-ku, Tokyo

### Description

1. Date and hour of meeting:

Friday, February 24, 2017, at 10:00 a.m.

2. Place of meeting:

Hall A, Tokyo International Forum  
5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

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## 3. Objects of the meeting:

### Matters to be reported:

1. Report on the business report and consolidated financial statements for the fiscal year 2016 (from December 1, 2015 to November 30, 2016) and the results of audit of the consolidated financial statements by the account auditors and the Board of Corporate Auditors
2. Report on the non-consolidated financial statements for the fiscal year 2016 (from December 1, 2015 to November 30, 2016)

### Matters to be resolved:

Proposition No. 1: Partial amendments to the Articles of Incorporation

Proposition No. 2: Election of 12 Directors

Proposition No. 3: Payment of bonuses to Directors

Proposition No. 4: Disposition of treasury stock via third-party allotment with the objective of supporting the activities of the Kewpie Mirai Tamago Foundation

Proposition No. 5: Continuation of the Defense Plan Against Large Purchase Actions of the Shares of the Company (Takeover Defense Plan)

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## **Requests to the Visiting Shareholders**

- Shareholders are requested to arrive in good time as the reception counter will be congested just before the meeting starts (10:00 a.m.).
- Please understand that if the first floor in Hall A is packed, some shareholders may be directed to the second floor or another hall.
- Attendees with large luggage (such as wheeled carry-ons) can leave them at the cloakroom to the side of the reception desk.
- When attending the meeting, please present the enclosed voting form to the receptionists at the meeting. Only the shareholders having voting rights are entitled to attend the meeting in person or by proxy (who shall be a shareholder having voting rights) (being one (1) person).
- Please refrain from taking pictures or recording in the hall with your cameras, smart phones or cellular phones.
- We will be holding an exhibition on our social and environmental initiatives in the lobby of Hall A. By all means, please have a look.

## **Information Available on our Website**

- With regard to the documents attached to the Notice of the General Meeting of Shareholders, the following items are made available on the Internet website of the Company pursuant to laws and ordinances and the Articles of Incorporation of the Company:
  - (i) Systems to Secure the Properness of Business Activities (Fundamental Policy to Establish its Internal Control Systems)
  - (ii) Summary of Fundamental Policy on Control of Joint-Stock Corporation
  - (iii) Consolidated Statements of Changes in Net Assets
  - (iv) Notes to the Consolidated Financial Statements
  - (v) Non-Consolidated Statements of Changes in Net Assets; and
  - (vi) Notes to the Non-Consolidated Financial StatementsMoreover, with regard to "Fundamental Policy on Control of Joint-Stock Corporation," all the details may be found in Proposition No. 5 "Continuation of the Defense Plan Against Large Purchase Actions of the Shares of the Company (Takeover Defense Plan)" (pp. 32 to 60 of the Notice of the General Meeting of Shareholders).
- If any amendment is made to the Reference Document for the General Meeting of Shareholders, business report, consolidated financial statements and non-consolidated financial statements, it will be publicized on the Internet website of the Company.

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Internet website of the Company:

[http://www.kewpie.co.jp/company/ir/stocks\\_information03.html](http://www.kewpie.co.jp/company/ir/stocks_information03.html)

# Kewpie Corporation

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## Exercise of Voting Rights

### **Attending the General Meeting of Shareholders in person**

Please bring the enclosed voting form to the meeting and present it to the receptionists. Please also bring this "Notice of The 104th Ordinary General Meeting" and "Business Report for the fiscal year 2016" as reference material for the meeting.

Date and hour of meeting: **Friday, February 24, 2017, at 10:00 a.m.**

\*If you desire to ask a question during the session of the General Meeting of Shareholders, please refer to page 61 herein.

### **Not attending the General Meeting of Shareholders in person**

#### **Sending of voting form by mail**

Please return by mail the enclosed voting form by indicating your approval or disapproval of each proposition.

Time frame: **Must reach us no later than 5:30 p.m., Thursday, February 23, 2017**

#### **Method to complete the voting form:**

Please enter your approval or disapproval of each proposition.

Proposition No. 1, Proposition No. 3, Proposition No. 4 and Proposition No. 5

To approve: Enter ○ in the column of "Approve".

To disapprove: Enter ○ in the column of "Disapprove".

Proposition No. 2

To approve all candidates: Enter ○ in the column of "Approve".

To disapprove all candidates: Enter ○ in the column of "Disapprove".

To approve or disapprove any candidate(s):

Enter ○ in the column of "Approve" or "Disapprove" and enter the candidate number(s).

The "code for the exercise of voting rights" and the "password", which are required upon exercising your voting rights via the Internet, are printed.

- \* If no approval or disapproval of each proposition is entered, you will be deemed to have approved it.

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## **Exercise of voting rights via the Internet or other means**

Please access the website for the exercise of voting rights using the URL on page 7, enter the "code for the exercise of voting rights" and the "password" printed in the enclosed voting form and enter your approval or disapproval for each proposition.

Time frame:           No later than **5:30 p.m., Thursday, February 23, 2017**

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## ◆ Procedures for Exercise of Voting Rights via the Internet

Please access **the website for the exercise of voting rights** (<http://www.web54.net>) by using a PC, smart phone or mobile phone.

Please note the following before using the website for the exercise of voting rights.

1. Website for the exercise of voting rights:
  - (1) Any exercise of voting rights via the Internet will be possible only by accessing the website for the exercise of voting rights specified by the Company by using a PC or other devices.
  - (2) By using a smart phone or mobile phone installed with a bar-code reader, you can read the QR Code and access the website for the exercise of voting rights. For more information on the operation procedure, please refer to the instruction manual of your mobile phone or smart phone.
  - (3) Depending on your Internet use environment where a firewall is created for Internet connections, antivirus software is installed, a proxy server is used or otherwise, the website may not be accessible.
2. Treatment of the "code for the exercise of voting rights" and the "password":
  - (1) The code for the exercise of voting rights printed in the enclosed voting form is good only for this Ordinary General Meeting of Shareholders.
  - (2) The password is important information that the shareholder must provide as proof of identity when exercising his/her voting right. Please be advised to handle it carefully.
  - (3) If a password is entered wrongly in a specified number of times, it will be rejected. If you desire to have a new password issued, please take the procedure in accordance with the guidance on the screen.
3. Treatment of multiple exercise of voting rights:
  - (1) If voting rights are exercised both in writing and via the Internet, the voting rights exercised via the Internet shall be treated as effective.
  - (2) If voting rights are exercised twice or more times, via the Internet and by other methods, the latest exercise thereof shall be treated as effective.
4. Cost incurred upon accessing the website for the exercise of voting rights:

All fees payable to Internet service providers and telecommunication carriers (such as

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connection fees) in accessing the website for the exercise of voting rights must be borne by each shareholder.

## 5. Platform for electronic exercise of voting rights:

Institutional investors may use the "ICJ Platform", a platform for electronic exercise of voting rights for institutional investors operated by ICJ Inc. as long as applications are made to that effect in advance.

Contact for inquires:

Sumitomo Mitsui Trust Bank, Limited  
Stock Transfer Agency Business Planning Dept.  
Web Support Dedicated Dial:  
Phone No: 0120-652-031 (available at 9:00 a.m. through 9:00 p.m.)

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## REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

### **Proposition No. 1: Partial amendments to the Articles of Incorporation**

#### 1. Reason for the proposal

To implement the required changes to Article 3 (Objectives of the Company) of the existing Articles of Incorporation in order to prepare for the future development of new business.

#### 2. Details of the amendment

Details of the amendment are as follows:

(The **underline** shows an amendment.)

| Existing Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Proposed Amendment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(Objectives of the Company)</p> <p>Article 3 The Company shall operate the following lines of business:</p> <p>(1) Manufacture and sale of "mayonnaise sauce" and other general sauces;</p> <p>(2) Manufacture and sale of various bottled and canned food and other various food articles;</p> <p>(3) Manufacture and sale of food additives;</p> <p>(4) Manufacture and sale of materials of medical drugs, drugs and medicines, quasi-drugs, cosmetics and other chemical products;</p> <p>(5) Manufacture and sale of feed and fertilizer;</p> <p>(6) Manufacture and sale of manufacturing equipment for food articles and medical drugs, and other various machines and equipment, and engineering business associated therewith;</p> <p>(7) Plumbing work, machinery and equipment installation work, construction work and electrical work businesses;</p> <p>(8) Building designing, construction, supervisory and consulting business;</p> <p>(9) Lease of real estate;</p> <p>(10) Operation and management of food processing equipment;</p> <p>(11) Comprehensive cleaning, guard and security control of factories and stores;</p> <p>(12) Management of agriculture and livestock businesses; and</p> <p>(13) All undertakings in connection with those lines of business mentioned in the preceding items.</p> | <p>(Objectives of the Company)</p> <p>Article 3 The Company shall operate the following lines of business:</p> <p>(1) Manufacture and sale of "mayonnaise sauce" and other general sauces;</p> <p>(2) Manufacture and sale of various bottled and canned food and other various food articles;</p> <p>(3) Manufacture and sale of food additives;</p> <p>(4) Manufacture and sale of materials of medical drugs, drugs and medicines, <b><u>medical equipment</u></b>, quasi-drugs, cosmetics and other chemical products;</p> <p>(5) Manufacture and sale of feed and fertilizer;</p> <p>(6) Manufacture and sale of manufacturing equipment for food articles and medical drugs, and other various machines and equipment, and engineering business associated therewith;</p> <p>(7) Plumbing work, machinery and equipment installation work, construction work and electrical work businesses;</p> <p>(8) Building designing, construction, supervisory and consulting business;</p> <p>(9) Lease of real estate;</p> <p>(10) Operation and management of food processing equipment;</p> <p>(11) Comprehensive cleaning, guard and security control of factories and stores;</p> <p>(12) Management of agriculture and livestock businesses; and</p> <p>(13) All undertakings in connection with those lines of business mentioned in the preceding items.</p> |

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## Proposition No. 2: Election of 12 Directors

The term of office of all Directors currently in office (Messrs. Amane Nakashima, Minesaburo Miyake, Masafumi Furutachi, Tadaaki Katsuyama, Yoshiaki Wada, Toru Hyodo, Nobuo Inoue, Osamu Chonan, Kengo Saito, Shigeki Takemura, Yoshinori Henmi, Kazunari Uchida and Ms. Shihoko Urushi (13 in all)) will expire at the closing of this General Meeting of Shareholders. It is therefore proposed that 12 Directors be elected.

The candidates for Director are as follows:

Please refer to "Regarding the Board of Directors and Board of Corporate Auditors System (Planned) Following the Closing of the General Meeting of Shareholders" on page 27 for the titles and assignments of the candidates the Company plans to be in effect upon the closing of this General Meeting of Shareholders.

| Candidate Number | Name                | Title                   | Assignment                                                                                                                                                 |                                                                         |
|------------------|---------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| 1                | Amane Nakashima     | Chairman                | In charge of Compliance and Brand                                                                                                                          | Reelection                                                              |
| 2                | Masafumi Furutachi  | Representative Director | Senior Executive Corporate Officer in charge of Condiments Products Business and Group Sales in general                                                    | Reelection                                                              |
| 3                | Tadaaki Katsuyama   | Director                | Executive Corporate Officer in charge of Overseas Business in general and Division of Overseas                                                             | Reelection                                                              |
| 4                | Nobuo Inoue         | Director                | Executive Corporate Officer in charge of Operation Promote Dept., Public Relations and CSR Office, Division of Personnel Affairs and Division of Logistics | Reelection                                                              |
| 5                | Osamu Chonan        | Director                | Executive Corporate Officer in charge of Delicatessen Products Business                                                                                    | Reelection                                                              |
| 6                | Kengo Saito         | Director                | Executive Corporate Officer in charge of Egg Products Business                                                                                             | Reelection                                                              |
| 7                | Shigeki Takemura    | Director                | Senior Corporate Officer in charge of Processed Foods Business                                                                                             | Reelection                                                              |
| 8                | Yoshinori Henmi     | Director                | Senior Corporate Officer in charge of Division of Group Production in general                                                                              | Reelection                                                              |
| 9                | Seiya Sato          |                         | Corporate Officer, General Manager of Tokyo Branch Office                                                                                                  | New election                                                            |
| 10               | Yoshinori Hamachiyo |                         | Corporate Officer, General Manager of Division of Research Development                                                                                     | New election                                                            |
| 11               | Kazunari Uchida     | Outside Director        |                                                                                                                                                            | Reelection<br>Outside<br>Corporate<br>Officer<br>Independent<br>Officer |

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| Candidate Number | Name           | Title            | Assignment |                                                                         |
|------------------|----------------|------------------|------------|-------------------------------------------------------------------------|
| 12               | Shihoko Urushi | Outside Director |            | Reelection<br>Outside<br>Corporate<br>Officer<br>Independent<br>Officer |

(Note) The titles and assignments are those at the Company at the time of the sending of this notice.

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>Candidate Number<br/><b>1</b><br/>(Reelection)</p> <p><b>Amane Nakashima</b><br/>(Date of birth:<br/>September 26, 1959)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12</p> <p>Number of shares of the Company held by Candidate<br/>325,181 shares</p> <p>Relations of special interest with the Company<br/>The Company has business relationships, including purchase of products, sales of goods and products and expense transactions, with Nakashimoto Co., Ltd., for which Mr. Amane Nakashima is servicing as President and Director.</p> | <p>April 1983      Joined The Industrial Bank of Japan, Limited (currently, Mizuho Bank, Ltd.)</p> <p>October 1993      Joined Nakashimoto Co., Ltd.<br/>General Manager, Accounting Department of Nakashimoto Co., Ltd.</p> <p>February 1995      Director of Nakashimoto Co., Ltd.</p> <p>February 1997      Director of the Company</p> <p>July 2000      General Manager, Legal Department of the Company</p> <p>February 2003      Vice President and Director of Nakashimoto Co., Ltd.</p> <p>February 2005      Director of Nakashimoto Co., Ltd.<br/>Executive Corporate Officer of the Company<br/>General Manager, Environment Office of the Company</p> <p>July 2005      General Manager, Social and Environment Promotion Office of the Company</p> <p>October 2009      General Manager, CSR Promote Department of the Company</p> <p>February 2010      <b>President and Director of Nakashimoto Co., Ltd.</b>, to this date</p> <p>February 2014      Senior Executive Corporate Officer of the Company</p> <p>February 2016      <b>Chairman of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Based on the "spirit of foundation" in the Articles of Incorporation of the Company, Mr. Nakashima has fulfilled a vital role of education and guidance in matters related to the promotion of CSR, compliance, risk management and brand. We judge that, having fulfilled his duties as Director of the Company appropriately, he meets the Company's nomination policy and once again nominate him as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Chairman.</p>                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <p>Candidate Number<br/><b>2</b><br/>(Reelection)</p> <p><b>Masafumi Furutachi</b><br/>(Date of birth:<br/>August 19, 1953)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12</p> <p>Number of shares of the Company held by Candidate<br/>9,500 shares</p> <p>Relations of special interest with the Company<br/>None</p>                                                                                                                                                                                                                      | <p>April 1977      Joined the Company</p> <p>October 1996    General Manager, Takamatsu Branch Office of the Company</p> <p>August 1999    Group Leader, Household Sales, Wide-Area Sales Dept. of the Company</p> <p>July 2002      General Manager, Wide-Area Household Sales Dept. of the Company</p> <p>July 2003      General Manager, Household Sales Dept., Division of Household Sales of the Company</p> <p>July 2004      General Manager, Division of Household Sales of the Company</p> <p>October 2006   General Manager, Nagoya Branch Office of the Company</p> <p>February 2011   Director of the Company<br/>General Manager, Public Relations of the Company</p> <p>February 2012   General Manager, Public Relations and CSR Office of the Company</p> <p>February 2014   Executive Corporate Officer of the Company<br/>Senior Corporate Officer of the Company<br/><b>In charge of Condiments Products Business of the Company, to this date</b><br/><b>In charge of Group Sales in general of the Company, to this date</b></p> <p>February 2015   General Manager, Division of Household of the Company</p> <p>February 2016   <b>Representative Director of the Company, to this date</b><br/><b>Senior Executive Corporate Officer of the Company, to this date</b></p> |
| <p><b>Reason for nomination for Director</b></p> <p>Not only is he highly knowledgeable in the Condiments Products Business that forms the core of the Group, but Mr. Furutachi has also participated in management with a broad ranging perspective, having been in charge of the Public Relations and CSR Office. We judge that, having carried out company management from a broad standpoint, he meets the Company's nomination policy and once again nominate him as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Representative Director, Senior Executive Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <p>Candidate Number<br/><b>3</b><br/>(Reelection)</p> <p><b>Tadaaki Katsuyama</b><br/>(Date of birth:<br/>December 1, 1957)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12</p> <p>Number of shares of the Company held by Candidate<br/>16,200 shares</p> <p>Relations of special interest with the Company<br/>None</p>                                                                                                                                                               | <p>April 1980      Joined the Company</p> <p>July 2002      General Manager, Sengawa Plant of the Company</p> <p>July 2004      Deputy General Manager, Division of Production of the Company</p> <p>July 2005      General Manager, Division of Production of the Company</p> <p>February 2008      Director of the Company</p> <p>February 2012      Executive Corporate Officer of the Company<br/>In charge of Overseas Business in general of the Company as deputy</p> <p>February 2014      <b>In charge of Overseas Business in general of the Company, to this date</b></p> <p>February 2016      <b>Director of the Company, to this date</b><br/><b>Executive Corporate Officer of the Company, to this date</b><br/>General Manager, Division of Overseas of the Company</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Mr. Katsuyama has been engaged primarily in business operations related to production, and he has promoted initiatives aimed at production efficiency and other cost improvement measures. In addition, by being engaged in overseas management he promoted growth overseas. We judge that, possessing such experience, he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Executive Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <p>Candidate Number<br/><b>4</b><br/>(Reelection)</p> <p><b>Nobuo Inoue</b><br/>(Date of birth:<br/>May 16, 1960)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12</p> <p>Number of shares of the Company held by Candidate<br/>12,300 shares</p> <p>Relations of special interest with the Company<br/>None</p>                                                                                                                                                                                                                                        | <p>April 1983      Joined the Company</p> <p>July 2004      General Manager, Corporate Planning Dept. of the Company</p> <p>October 2009    Deputy General Manager, Operation Promote Dept. of the Company</p> <p>December 2009   General Manager, Operation Promote Dept. of the Company</p> <p>February 2010   <b>Director of the Company</b>, to this date</p> <p>February 2016   <b>Executive Corporate Officer of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>In addition to promoting the Group's management reforms and driving the establishment of the medium-term business plan, as the person in charge of the Public Relations and CSR Office and the Division of Personnel Affairs, Mr. Inoue has participated in management from a broad ranging perspective. We judge that, having carried out company management from a broad standpoint, he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Executive Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Candidate Number<br/><b>5</b></p> <p>(Reelection)<br/><b>Osamu Chonan</b><br/>(Date of birth:<br/>May 16, 1956)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12</p> <p>Number of shares of the Company held by Candidate<br/>9,300 shares</p> <p>Relations of special interest with the Company<br/>None</p>                                                                                                                                                                                                          | <p>April 1980      Joined the Company</p> <p>July 2001      General Manager, Sendai Branch Office of the Company</p> <p>November 2006      General Manager, Wide-area Household Sales Dept. of the Company</p> <p>September 2008      General Manager, Osaka Branch Office of the Company</p> <p>July 2012      General Manager, Tokyo Branch Office of the Company</p> <p>February 2013      Corporate Officer of the Company</p> <p>February 2014      <b>Director of the Company</b>, to this date<br/>General Manager, Division of Wide-Area Sales of the Company</p> <p>February 2016      <b>Executive Corporate Officer of the Company</b>, to this date<br/><b>In charge of Delicatessen Products Business of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Mr. Chonan has been engaged primarily in business operations related to sales, and he has developed relationships with a wide variety of trading partners. Moreover, as Director in charge of the Delicatessen Products Business, he has worked to improve business value. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Representative Director, President and Chief Executive Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

# Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Candidate Number<br/><b>6</b><br/>(Reelection)<br/><b>Kengo Saito</b><br/>(Date of birth:<br/>November 26, 1956)</p>  <p>Number of Board of<br/>Directors' meetings attended<br/>for the fiscal year 2016<br/>12/12<br/>Number of shares of the<br/>Company held by Candidate<br/>9,100 shares<br/>Relations of special interest<br/>with the Company<br/>None</p>                                                                                                                         | <p>April 1979      Joined the Company<br/>August 1999      General Manager, Sapporo Branch Office of the Company<br/>July 2002      General Manager, Fukuoka Branch Office of the Company<br/>July 2004      General Manager, Osaka Branch Office of the Company<br/>September 2008      General Manager, Tokyo Branch Office of the Company<br/>July 2012      General Manager, Division of Food Services of the Company<br/>February 2013      Corporate Officer of the Company<br/>February 2015      <b>Director of the Company</b>, to this date<br/>Senior Corporate Officer of the Company<br/><b>In charge of Egg Products Business of the Company</b>, to this date<br/>date<br/>February 2016      <b>Executive Corporate Officer of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Mr. Saito has been engaged primarily in business operations related to sales, and he has promoted proposals that capture customers' needs. Moreover, as Director in charge of the Egg Products Business, he has worked to improve business value. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Executive Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| <p>Candidate Number<br/><b>7</b><br/>(Reelection)<br/><b>Shigeki Takemura</b><br/>(Date of birth:<br/>September 15, 1956)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>12/12<br/>Number of shares of the Company held by Candidate<br/>9,800 shares<br/>Relations of special interest with the Company<br/>None</p>                                                                                                                                                                                                                                  | <p>April 1980      Joined the Company</p> <p>July 2001      Group Leader, Jam and Prepared Food Group, Product Dept., Division of Sales of the Company</p> <p>July 2002      General Manager, Izumi-Sano Plant of the Company</p> <p>November 2004      President and Representative Director of Tosu Kewpie Co., Ltd.</p> <p>November 2006      Deputy General Manager, Division of Production of the Company</p> <p>October 2007      In charge of Health Function Products Business of the Company as deputy</p> <p>February 2008      <b>Director of the Company</b>, to this date<br/>In charge of Health Function Products Business of the Company</p> <p>August 2012      <b>In charge of Processed Foods Business of the Company</b>, to this date</p> <p>February 2013      <b>Senior Corporate Officer of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Mr. Takemura has been engaged primarily in business operations related to sales and production, and he has promoted initiatives aimed at unifying sales and production systems. In addition, as Director successively in charge of the Health Function Products Business and the Processed Foods Business, he has worked to improve business value. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Senior Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>Candidate Number<br/><b>8</b><br/>(Reelection)<br/><b>Yoshinori Henmi</b><br/>(Date of birth:<br/>April 13, 1955)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016 (After assuming office as Director) 10/10<br/>Number of shares of the Company held by Candidate 1,900 shares<br/>Relations of special interest with the Company None</p>                                                                                                                                                                | <p>April 1978 Joined the Company</p> <p>July 2001 General Manager, Raw Materials Dept., Division of Production of the Company</p> <p>July 2003 General Manager, Business Dept. of Kewpie Egg Corporation</p> <p>October 2003 General Manager, Product Administration Dept. of Kewpie Egg Corporation</p> <p>November 2004 General Manager, Corporate Planning Dept. of Kewpie Egg Corporation</p> <p>February 2005 Director of Kewpie Egg Corporation</p> <p>August 2005 General Manager, Manufacturing Administration Dept. of Kewpie Egg Corporation</p> <p>October 2007 General Manager, Product Administration Dept. of Kewpie Egg Corporation</p> <p>July 2008 General Manager, Business Planning Dept., Corporate Planning Office in charge of Egg Products Business of the Company</p> <p>October 2009 General Manager, Corporate Planning Dept., Division of Operation Promote in charge of Egg Products Business of the Company</p> <p>October 2010 In charge of Egg Products Business of the Company as deputy</p> <p>February 2011 President and Representative Director of Kewpie Egg Corporation</p> <p>February 2016 <b>Director of the Company</b>, to this date<br/><b>Senior Corporate Officer of the Company</b>, to this date<br/><b>In charge of Division of Group Production in general of the Company</b>, to this date</p> |
| <p><b>Reason for nomination for Director</b></p> <p>Mr. Henmi has been engaged primarily in business operations related to production and ingredient procurement. Moreover, as Director in charge of Division of Group Production in general, he has promoted initiatives to improve production efficiency and improve ingredient procurements costs. For these reasons, we judge that he meets the Company's nomination policy and we nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Senior Corporate Officer.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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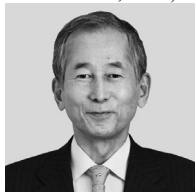


| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Candidate Number<br/><b>9</b><br/>(New election)</p> <p><b>Seiya Sato</b><br/>(Date of birth:<br/>August 2, 1959)</p>  <p>Number of shares of the<br/>Company held by Candidate<br/>1,000 shares<br/>Relations of special interest<br/>with the Company<br/>None</p>                                                                                                                                                                                                                                                                                                         | <p>April 1982<br/>July 2004<br/>October 2008<br/>December 2009<br/>July 2012<br/>February 2013<br/>February 2015</p> | <p>Joined the Company<br/>General Manager, Kanto Branch Office of the Company<br/>General Manager, Household Sales Dept., Division of<br/>Wide-Area Sales of the Company<br/>General Manager, Division of Wide-Area Sales of the Company<br/>General Manager, Osaka Branch Office of the Company<br/><b>Corporate Officer of the Company, to this date</b><br/><b>General Manager, Tokyo Branch Office of the Company, to<br/>this date</b></p> |
| <p>▪Reason for nomination for Director</p> <p>Mr. Sato has been engaged primarily in business operations relating to sales, and he has promoted proposals that capture customers' needs. Moreover, as Corporate Officer and during his service as General Manager of Osaka Branch Office and General Manager of Tokyo Branch Office, he demonstrated strong leadership in the sales activities of the Group. For these reasons, we judge that he meets the Company's nomination policy and nominate him as a candidate for Director. In the event that he is elected as Director, it is planned that he will take on the duties of Senior Corporate Officer.</p> |                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>Candidate Number<br/><b>10</b><br/>(New election)</p> <p><b>Yoshinori<br/>Hamachiyo</b><br/>(Date of birth:<br/>February 13, 1961)</p>  <p>Number of shares of the<br/>Company held by Candidate<br/>13,000 shares<br/>Relations of special interest<br/>with the Company<br/>None</p>                                                                                                                                                                                                                                                                                     | <p>April 1984<br/>July 2010<br/>February 2012<br/>February 2014<br/>February 2015</p>                                | <p>Joined the Company<br/>General Manager, Intellectual Property Office of the Company<br/>General Manager, Intellectual Property Office of the Company<br/><b>Corporate Officer of the Company, to this date</b><br/><b>General Manager, Division of Research Development of the<br/>Company, to this date</b></p>                                                                                                                             |
| <p>▪Reason for nomination for Director</p> <p>Mr. Hamachiyo has been engaged primarily in operations related to intellectual property and research and development. Moreover, as Corporate Officer, he has promoted initiatives to protect brand value and create new value through the use of the Group's technology. For these reasons, we judge that he meets the Company's nomination policy and nominate him as a candidate for Director. In the event that he is elected as Director, it is planned that he will take on the duties of Senior Corporate Officer.</p>                                                                                       |                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Candidate Number<br/><b>11</b></p> <p>(Reelection)</p> <p>(Outside Corporate Officer)</p> <p>(Independent Officer)</p> <p><b>Kazunari Uchida</b><br/>(Date of birth:<br/>October 31, 1951)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016<br/>10/12</p> <p>Number of shares of the Company held by Candidate<br/>0 shares</p> <p>Relations of special interest with the Company<br/>None</p> <p>(Notes 1, 2, 3 and 5)</p> | <p>January 1985      Joined Boston Consulting Group</p> <p>November 1999    Senior Vice President of Boston Consulting Group</p> <p>June 2000        Japan Representative and President of Boston Consulting Group</p> <p>March 2006       External Auditor of Suntory, Ltd. (currently, Suntory Holdings Limited)</p> <p>April 2006        <b>Professor of Graduate School of Commerce at Waseda University, to this date</b></p> <p>February 2012    Outside Corporate Auditor of the Company</p> <p>June 2012        <b>Outside Director of LIFENET INSURANCE COMPANY</b></p> <p>December 2013   <b>Outside Director of ERI Holdings Co., Ltd., to this date</b></p> <p>October 2014     <b>External Director of MITSUI-SOKO HOLDINGS Co., Ltd., to this date</b></p> <p>February 2015    <b>Outside Director of the Company, to this date</b></p> <p>March 2016       <b>External Director of Lion Corporation, to this date</b></p> |
| <p>▪Reason for nomination for outside Director</p> <p>We judge that Mr. Uchida possesses a high level of expertise and broad ranging insights regarding corporate management and that he will be able to secure sufficient time to provide guidance in regard to the promotion of healthy and efficient management. For these reasons, we deem that he meets the Company's nomination policy and nominate him once again as a candidate for outside Director.</p>                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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| Brief history, title, assignment and important concurrent office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Candidate Number<br/><b>12</b></p> <p>(Reelection)</p> <p>(Outside Corporate Officer)</p> <p>(Independent Officer)</p> <p><b>Shihoko Urushi</b><br/>(Date of birth:<br/>April 4, 1961)</p>  <p>Number of Board of Directors' meetings attended for the fiscal year 2016 (After assuming office as Director) 9/10</p> <p>Number of shares of the Company held by Candidate 0 shares</p> <p>Relations of special interest with the Company None</p> <p>(Notes 1, 4 and 5)</p> | <p>April 1984 Worked at a combined private junior high and high school for girls in Tokyo</p> <p>April 1989 Worked at Shinagawa Joshi Gakuin</p> <p>April 2006 <b>Principal of Shinagawa Joshi Gakuin</b>, to this date</p> <p>September 2014 <b>Member of the Education Rebuilding Implementation Council (Cabinet Office)</b>, to this date</p> <p>February 2016 <b>Outside Director of the Company</b>, to this date</p> |

## Reason for nomination for outside Director

We judge that Ms. Urushi not only has abundant experience as an educator, but is also full of drive and passion as a corporate executive, and that she will be able to secure sufficient time to provide useful advice and suggestions from the perspectives of both human resource training and corporate management. For these reasons, we deem that she meets the Company's nomination policy and nominate her once again as a candidate for outside Director.

- (Notes) 1. Mr. Kazunari Uchida and Ms. Shihoko Urushi are candidates for outside Director. Should the election to the position of outside Director be approved for both candidates, then the Company plans for them to become independent officers in accordance with the provisions of the Tokyo Stock Exchange, Inc.
2. Mr. Kazunari Uchida is an outside/external Director of ERI Holdings Co., Ltd., MITSUI-SOKO HOLDINGS Co., Ltd. and Lion Corporation. There are no relations of special interest, however, between the Company and any of these three companies. Mr. Uchida satisfies the Company's "Independence Criteria for Outside Corporate Officers," and there is no risk of this having an impact on his independence.
3. The current term of service as an outside Director of the Company of Mr. Kazunari Uchida shall be two (2) years as of the closing of this General Meeting of Shareholders. For a period of three (3) years from February 28, 2012 to February 26, 2015, he served as outside Corporate Auditor of the Company.
4. The current term of service as an outside Director of the Company of Ms. Shihoko Urushi shall be one (1) year as of the closing of this General Meeting of Shareholders. Although Ms. Urushi has served as an outside member of the Management Advisory

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Board of the Company from December 1, 2014 to November 30, 2015, she satisfies the Company's "Independence Criteria for Outside Corporate Officers," and there is no risk of this having an impact on her independence.

5. The Company has entered into an agreement to limit the liabilities for damages with Mr. Kazunari Uchida and Ms. Shihoko Urushi pursuant to Article 427, paragraph 1 of the Companies Act of Japan and Article 28 of the Articles of Incorporation of the Company. When the election of Mr. Kazunari Uchida and Ms. Shihoko Urushi as outside Directors is approved and adopted as proposed, the Company intends to continue such agreements. The amount of maximum liability stipulated in the agreement is determined by each of the respective items under Article 425, paragraph 1 of the Companies Act, and this limitation of liability shall apply only when the above outside Directors have acted in good faith and without gross negligence in performing the duties giving rise to the liability.

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## Policies and Procedures for Election of Directors and Corporate Auditor

### <Policy for nomination of Director candidates>

The Board of Directors of the Company, in working to follow the mandate of the shareholders, shall have responsibilities to respect corporate philosophy, promote sustainable corporate growth and the improvement of corporate value over the medium- to long-term, and enhance earnings power and capital efficiency. Concerning the election of Directors, the Board of Directors has set forth the following criteria through which the persons deemed capable of fulfilling these responsibilities are nominated as candidates.

#### *Inside Director*

1. Must respect the corporate philosophy of the Company and embody these values.
2. Must possess abundant knowledge on domestic and international market trends concerning the Group business.
3. Must possess excellent competency in objective managerial judgment and business execution that contributes beneficially to the Group's management direction.

#### *Outside Director*

1. Must provide a guiding role in particular fields, such as legal affairs, corporate management, overseas, human resource development, and CSR and possess abundant experience and expertise in such fields.
2. Must have high affinity with the corporate philosophy and business of the Company, and possess the ability to express opinions, provide guidance and advice, and carry out supervision with respect to the inside Directors when deemed timely and appropriate to do so.
3. Must secure sufficient time to perform duties as an outside Director of the Company.

### <Policy for nomination of Corporate Auditor candidates>

The Corporate Auditors, in working to follow the mandate of the shareholders, have responsibilities to strive to prevent occurrences of infringements of laws and regulations and the Articles of Incorporation and maintain and improve the soundness of the Group's management and its trust from society. Concerning the election of Corporate Auditors, the Board of Directors has set forth the following criteria through which the persons deemed capable of fulfilling these responsibilities are nominated as candidates.

#### *Inside Corporate Auditor*

1. Must respect the corporate philosophy of the Company and embody these values.
2. Must maintain a stance of fairness and possess the capability to fulfill auditing duties.
3. Must have an overall grasp of the Group operations and be able to propose management tasks.

#### *Outside Corporate Auditor*

1. Must provide a guiding role in particular fields, such as legal affairs, corporate management, accounting, overseas, human resource development, and CSR and possess abundant experience and expertise in such fields.
2. Must have high affinity with corporate philosophy and business of the Company, and possess the ability to express opinions, provide guidance, and carry out supervision with respect to the Directors from an objective and fair standpoint.
3. Must secure sufficient time to perform duties as an outside Corporate Auditor of the Company.

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## <Procedures for Nomination of Corporate Officers>

Concerning the nomination of candidates for Directors and Corporate Auditors, the Representative Director shall consider and recommend the candidates at an internal management meeting, which comprises full-time Directors, and the recommended candidates are reviewed and decided at a Board of Directors meeting.

As for decisions regarding the organizational structure of the Company and the composition of its personnel, and so forth, the Representative Director will establish opportunities to exchange opinions with outside corporate officers as required.

As for Corporate Auditors, election propositions for the General Meeting of Shareholders must be approved by the Board of Corporate Auditors pursuant to stipulations in the Companies Act.

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## Independence Criteria for Outside Corporate Officers

To judge the independence of outside Directors and outside Corporate Auditors as stipulated in the Companies Act, we check the requirements for independent corporate officers stipulated by the Tokyo Stock Exchange, Inc. as well as checking whether the following apply.

- (1) A major shareholder of the Group (holding 10% or more of voting rights either directly or indirectly), or a person who executes business for a major shareholder of the Group (\*1)
- (2) A person/entity for which the Group is a major client, or a person who executes business for such person/entity (\*2)
- (3) A major client of the Group or a person who executes business for such client (\*3)
- (4) A person who executes business for a major lender of the Group (\*4)
- (5) A representative employee or employee of the accounting auditor for the Group
- (6) A provider of expert services, such as a consultant, attorney at law, or certified public accountant, who receives cash or other assets exceeding ¥10 million in one business year other than Director/Corporate Auditor compensation from the Group
- (7) A person/entity receiving contributions from the Group exceeding ¥10 million in one business year, or a person who executes business for such person/entity
- (8) A person to whom any one of (1) to (7) above has applied in the past three business years
- (9) Where any of (1) to (8) apply to a key person, the spouse or relative within two degrees of kinship of such person (\*5)
- (10) A special reason other than the preceding items that will prevent the person from performing their duties as an independent outside corporate officer, such as the potential for a conflict of interest with the Company

\*1 A person who executes business means an executive director, executive officer, executive, or other employee, etc.

\*2 A person/entity for which the Group is a major client means a person/entity who receives payments from the Group amounting to at least the higher of either 2% of their consolidated net sales or ¥100 million.

\*3 A major client of the Group means a client that makes payments to the Group amounting to at least the higher of either 2% of the Group's consolidated net sales or ¥100 million.

\*4 A major lender of the Group means a lender named as a major lender in the Group's business report.

\*5 A key person means a director (excluding outside directors), corporate auditor (excluding outside corporate auditors), executive officer, executive, or other person in the rank of general manager or above, or a corporate officer corresponding to these positions.

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## Regarding the Board of Directors and Board of Corporate Auditors System (Planned) Following the Closing of the General Meeting of Shareholders

| Name                | Title                     | Assignment                                                                                                                                                                                     |
|---------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amane Nakashima     | Chairman                  | In charge of Compliance and Brand                                                                                                                                                              |
| Osamu Chonan        | Representative Director   | President and Chief Executive Corporate Officer in charge of Division of Marketing                                                                                                             |
| Masafumi Furutachi  | Representative Director   | Senior Executive Corporate Officer in charge of Condiments Products Business and Group Sales in general                                                                                        |
| Tadaaki Katsuyama   | Director                  | Executive Corporate Officer in charge of Overseas Business in general and Division of Overseas                                                                                                 |
| Nobuo Inoue         | Director                  | Executive Corporate Officer in charge of Operation Promote Dept., Public Relations and CSR Office, Division of Personnel Affairs and Division of Logistics                                     |
| Kengo Saito         | Director                  | Executive Corporate Officer in charge of Egg Products Business                                                                                                                                 |
| Shigeki Takemura    | Director                  | Senior Corporate Officer in charge of Processed Foods Business                                                                                                                                 |
| Yoshinori Henmi     | Director                  | Senior Corporate Officer in charge of Division of Group Production in general                                                                                                                  |
| Seiya Sato          | Director                  | Senior Corporate Officer in charge of Delicatessen Products Business                                                                                                                           |
| Yoshinori Hamachiyo | Director                  | Senior Corporate Officer in charge of Division of Research Development, Division of Quality Assurance and Intellectual Property Office and General Manager of Division of Research Development |
| Kazunari Uchida     | Outside Director          |                                                                                                                                                                                                |
| Shihoko Urushi      | Outside Director          |                                                                                                                                                                                                |
| Jiro Ichise         | Corporate Auditor         | Full-time                                                                                                                                                                                      |
| Haruo Fuse          | Corporate Auditor         | Full-time                                                                                                                                                                                      |
| Haruo Kasama        | Outside Corporate Auditor |                                                                                                                                                                                                |
| Emiko Takeishi      | Outside Corporate Auditor |                                                                                                                                                                                                |
| Sumio Tarui         | Outside Corporate Auditor |                                                                                                                                                                                                |

(Note) The titles and assignments are those at the Company.

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## **Proposition No. 3: Payment of bonuses to Directors**

It is hereby proposed that the aggregate of ¥83,170,000 as Directors' bonuses be paid to 11 Directors, excluding outside Directors, in office as at the end of the fiscal year 2016 in consideration of the operating results and other factors for the year and that the determination of the actual amounts for the respective Directors be left to the Board of Directors.

(For information on the method of calculating bonuses, please refer to page 29.)

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## Policy on Determining Officer Compensation

### 1. Rationale and procedures for compensation of Directors, Corporate Auditors, and Corporate Officers

- 1) The Company institutes a compensation system for compensation of Directors and Corporate Officers that is configured by monthly remuneration and bonuses, secures linkage with company financial performance and reflects responsibilities and achievements.
- 2) The Company establishes opportunity for exchange of opinion with outside Directors and outside Corporate Auditors about the rationale for compensation (system design), and raise its transparency and fairness.
- 3) The total amount of bonuses paid to Directors must be approved at a general meeting of shareholders.
- 4) The compensations of outside Directors and Corporate Auditors (inside and outside) shall respectively be fixed amounts and no bonuses will be paid.

### 2. Calculation method for monthly remuneration

- 1) A monthly remuneration of a consistent amount will be paid for Director duties to inside Directors; provided, however that a separate, additional remuneration be provided to the individuals with representative authority.
- 2) The monthly remuneration for Corporate Officers should be set at a suitable level that takes into consideration the Company's management environment, etc. and correspond to the rank (President and Chief Executive Corporate Officer, Senior Executive Corporate Officer, Executive Corporate Officer, and Senior Corporate Officer).

### 3. Calculation method for Corporate Officers' (contract-of-mandate type) bonuses

- 1) The bonus amount is calculated in correspondence with the rank of the Corporate Officer, using consolidated operating income and goal attainment levels of the individual and assigned division of responsibility as an indicator.
- 2) Bonuses based on single-year performance (calculation method for the 2016-2018 medium-term business plan)  
When calculating bonuses for the 2016-2018 medium-term business plan, the weighting for the bonus calculation is raised primarily according to the results of efforts to achieve quantitative targets and KPI (key performance indicators).
- 3) Bonuses based on the target numerical values of the 2016-2018 medium-term business plan  
The Company will consider addition of an incentive to bonuses based on indicators or coefficients when numerical targets are achieved.

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## **Proposition No. 4: Disposition of treasury stock via third-party allotment with the objective of supporting the activities of the Kewpie Mirai Tamago Foundation**

The Company is involved in various activities, not only business operations, aimed at contributing to society. These activities are based on our founder Toichiro Nakashima's spirit of "Contributing to society through food," to realize "Our Ideal" through the corporate philosophy of the Group: "we aim to be a group contributing to the food culture and health of the world through 'good taste, kindness, and uniqueness.'"

In recent years, although there has been a dramatic increase in the diversity of lifestyle and food cultures, there has also been a steady increase in social issues related to "food," such as the dilution of communication through the medium of food, a decrease, primarily amongst the younger generation, in knowledge, awareness and interest in food, and child poverty.

Amid this environment, at the meeting of the Board of Directors held on December 26, 2016, the Company resolved to establish the Kewpie Mirai Tamago Foundation, a General Incorporated Foundation (hereinafter referred to as the "Foundation").

By supporting a wide range of activities by organizations involved in initiatives such as countermeasures for child poverty and food education, the Foundation aims to contribute to the realization of a healthy society. Such activities are instrumental in bringing the corporate philosophy of the Company to reality, and in the medium to long term we believe they will also contribute to the enhancement of the Group's corporate value.

In order to execute the activities of the Foundation, the Company has set up third-party beneficiary trust (hereinafter referred to as the "Trust"), with Sumitomo Mitsui Trust Bank, Limited as a trustee, Japan Trustee Services Bank, Ltd. as a sub-trustee and the Foundation as a beneficiary, and will carry out a disposition of shares of treasury stock by way of third-party allotment to the Trust. The trust income of this trust, arising from dividends, etc. from the Company's stock, will be assigned to the Foundation, which will use this to fund its activities.

The minimum amount of a paid-in value for disposition of treasury stock is one yen per share, and we consider a paid-in value of one yen per share to be reasonable in order to achieve the above points. Pursuant to the provisions of Articles 199 and 200 of the Companies Act, this resolution seeks the approval of the shareholders to conduct the disposition of shares of treasury stock by way of third-party allotment, and to entrust the determination of subscription requirements to the Board of Directors of the Company.

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## Summary of disposition of shares of treasury stock

|                                                                                     |                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Classification of shares to be disposed of and upper limit for number of shares | 1,500,000 shares of common stock                                                                                                                                                                                        |
| (2) Lower limit of paid-in value                                                    | ¥1 per share                                                                                                                                                                                                            |
| (3) Total paid-in value                                                             | ¥1,500,000                                                                                                                                                                                                              |
| (4) Method of disposition                                                           | By way of third-party allotment, to be allocated as follows.<br>Japan Trustee Services Bank, Ltd.<br>(sub-trustee, with Sumitomo Mitsui Trust Bank, Limited as trustee)                                                 |
| (5) Delegation of authority to make decisions                                       | In addition to the matters decided as above, all matters necessary for subscription requirements and solicitation of shares for subscription shall be decided by a resolution of the Board of Directors of the Company. |

## Summary of Foundation

Name: The Kewpie Mirai Tamago Foundation  
Founder: Kewpie Corporation  
Main business: Support (donation, etc.) of organizations involved in initiatives (food education and countermeasures for child poverty)  
Business Scale: ¥50 million per year (approximately)  
Fiscal Year: From April 1 to March 31

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## **Proposition No. 5: Continuation of the Defense Plan Against Large Purchase Actions of the Shares of the Company (Takeover Defense Plan)**

The Company, at the meeting of its Board of Directors held on January 11, 2008, adopted a resolution on a "fundamental policy on what the person(s) should be like to control the determination of the financial and business policy of the Company" (the "Fundamental Policy") and determined to adopt a "defense plan against large purchase actions of the shares of the Company (takeover defense plan)" as measures to prevent the determination of the financial and business policy of the Company from being controlled by any inadequate person in consideration of the Fundamental Policy, which was approved by the shareholders at the 95th ordinary general meeting of shareholders of the Company held on February 22, 2008. Thereafter, at the 98th ordinary general meeting of shareholders of the Company held on February 23, 2011 and the 101st ordinary general meeting of shareholders of the Company held on February 25, 2014, the continuation of the takeover defense plan, as adequately revised, was approved (the takeover defense plan, as revised, will hereinafter be referred to as the "Former Defense Plan").

As the Former Defense Plan is stipulated to expire upon the close of the 104th ordinary general meeting of shareholders (the "104th General Meeting") to be held no later than February 28, 2017, the Company has continued discussions on what it should be like, including whether or not to extend it, from the perspective of the enhancement of its corporate value and the common interests of its shareholders while taking into consideration the amendments to related laws and ordinances, changes in social and economic conditions and other factors. As a result of such discussions, notice is hereby given that the Company, at the meeting of its Board of Directors held on January 25, 2017, determined to maintain the Fundamental Policy and continue the Former Defense Plan, with some revisions thereof, as a "defense plan against large purchase actions of the shares of the Company (takeover defense plan)" (the "Defense Plan"), subject to approval of the shareholders at the 104th General Meeting. At the meeting of the Board of Directors at which the adoption of the Defense Plan was determined, the Corporate Auditors of the Company, five in all, including three outside Corporate Auditors, were present and each of them gave consent to the Defense Plan on condition that the plan should be implemented properly.

The major points of the revisions are as set forth below:

- For the purpose of the free allocation of stock acquisition rights as a defense measures against a large purchase action, it is specified that no cash is contemplated to be delivered as a consideration for the acquisition of the stock acquisition rights held by the large purchaser; and
- Dates and phrases are revised and some wordings are modified.

The shareholders are hereby requested to approve of the continuation of the Defense Plan in accordance with the provision of Article 46, paragraph 1 of the Articles of Incorporation of the Company.

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Subject to approval by the majority of the voting rights of the shareholders present at the 104th General Meeting, the Defense Plan shall continue to remain in effect until the close of the 107th Ordinary General Meeting of Shareholders to be held no later than February 29, 2020.

The Defense Plan is contemplated to allow the shareholders to make proper judgment about any large purchase action but not impede such any large purchase action itself or deprive the shareholders of any opportunity to judge whether or not to accept it. As to the particulars of the Fundamental Policy and the Defense Plan, please refer to the attachment hereto (page 34 to page 60).

As of the date hereof, no approach or offer has been made for a large purchase of the shares of the Company and the Company does not know any imminent threat of such purchase.

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(Attachment to Proposition No. 5)

## I. Fundamental policy on what the person(s) should be like to control the determination of the financial and business policy of the Company

### 1. Source of the corporate value of the Company

#### (1) Philosophy of the Group

The Company has advocated the following corporate motto and corporate principles as its spirit of foundation and provided in its Articles of Incorporation for the continuance of contributing to the people's healthy dietary life by placing first priority on security and safety as a fundamental principle in its business activities:

Corporate motto: RAKU-GYOU-KAI-ETSU (Share the joy of endeavors)

Corporate principles: Act on moral principles;  
Strive for originality and ingenuity; and  
Look after parent's well being

The Group, aiming to be a group contributing to the food culture and health of the world through "great taste, empathy and uniqueness," has engaged in: (i) Condiments products business, (ii) Egg products business, (iii) Delicatessen products business, (iv) Processed foods business, (v) Fine chemical products business, (vi) Distribution system business and (vii) Common business operations business.

#### (2) Actions based on the philosophy of the Group

The Group, to engage all of its officers and employees in taking action in compliance with the philosophy of the Group, has established codes of the Group and publicized the values to be honored and actions to be taken by the Group. Thus, the Group has maintained its principle of giving first priority to quality since its foundation and provided its peculiar products and services wholeheartedly, to enhance its corporate value.

#### (3) Strength of business development

Since the launch of the nation's first mayonnaise in 1925, the Company has constantly exerted its efforts to cultivate and expand the market of salad condiments through commercialization of dressings, among others and has maintained a large brand share as a leading maker. In addition, the Company sells jams and pasta sauces, as well as child-rearing foods (baby foods) and health foods. In 1998, the Company launched universal-design foods (or foods for the sick and aged). As stated above, the Company, as a pioneer in the food industry, has always taken the initiative in developing quality products according to various stages of diets, and we believe such development is the engine to cultivate the powers of its brand as one that is highly trusted by customers.

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Since its foundation, the Company has supplied eggs, main ingredients of mayonnaise, as liquid eggs, to process manufacturers. In 1955, the Company launched mayonnaise for industrial use and since the 1960s, has dealt in chilled products and prepared foods and sold cut vegetables. Thus, we also believe that the Group's strength lies in not only the quality and palatability of its products but its continued proposal of the joy of eating in the broad areas of home meal, home-meal replacement and eating-out.

Furthermore, the Company established a corporation to engage in condiments business in the United States in 1982 and has since expanded its operations in China, Southeast Asia and Europe. Through product development and menu proposals to meet needs in each area, the Company has endeavored to expand the market for mayonnaise and dressings and expand new categories by taking advantage of its technologies nurtured in Japan.

Since its formation, the Company has regarded the "insistence on high quality," "capabilities of developing products that anticipate customer needs" and "seeking of synergies in each business development" as the source of its corporate value. Furthermore, as represented in its corporate motto "RAKU-GYOU-KAI-ETSU (share the joy of endeavors)," all officers and employees share the attitude of exerting efforts with originality and ingenuity to achieve their common targets in business activities and sharing their joys. We believe this attitude should be perpetuated as a corporate culture that may sustain the source of the Group's corporate value.

## 2. Details of the fundamental policy

The Company considers that in the event that its shares are to be purchased for the purpose of mass acquisition, it should be left to final judgment of the shareholders whether or not the Company will agree thereto, and does not deny any importance or effect of vitalization of its corporate activities through a change in the controlling interest.

However, for the management of the Company and the Group, it is essential to have a good understanding of a broad range of know-how and accumulated experience, as well as the relationships fostered with its stakeholders, including customers, trading partners and employees, among others. Without such good understanding, it would be impossible to properly judge the shareholder value that may be raised in the future. We, who are responsible for management as entrusted by the shareholders, have focused our efforts on IR activities to get the fair value of the shares of the Company understood by the shareholders and investors. However, in the event of a sudden mass acquisition of the shares, for the shareholders who are required to properly judge whether the price for the acquisition offered by the purchaser is adequate or not in a short period, we consider it vital to be provided with adequate and sufficient information from both the purchaser and the Board of Directors of the Company. Additionally, for the shareholders to consider whether or not to continue holding the shares of the Company, we believe that such information as the impact of the acquisition on the Company, the details of the management policy and business plans and past investing activities of the purchaser when the purchaser proposes to participate in the management of the Company and the opinion of the Board of Directors as to the acquisition

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will be important for making a decision.

In consideration of these factors, we have judged that any prospective purchaser of the shares of the Company for the purpose of mass acquisition should be required to provide with the Board of Directors in advance such necessary and sufficient information as to allow the shareholders to consider the acquisition in accordance with some reasonable rules that have been prescribed by the Company and publicized in advance, and to be able to commence the acquisition only after the lapse of a specified evaluation period for the Board of Directors.

In fact, some mass acquisition may cause permanent damage to the Company and materially injure its corporate value and the common interests of its shareholders. We, responsible for the management of the Company, recognize that we are naturally responsible for protecting, against such mass acquisition, the fundamental philosophy and brands of the Company and the interests of its shareholders and other stakeholders.

To fulfill such responsibility, the Board of Directors recognizes that with regard to any purchase of shares for the purpose of mass acquisition (or any proposed purchase), it is necessary to carefully investigate and judge the effect of such purchase (or such proposed purchase) that may have on the corporate value of the Company and the common interests of its shareholders, in consideration of the nature of business, future business plans and past investing activities of the purchaser, among other factors.

Hence, we believe that to protect the corporate value of the Company and the common interests of its shareholders, it is necessary for the Board of Directors to take measures it considers adequate in accordance with some reasonable rules prescribed by the Company and publicized in advance.

The aforementioned fundamental policy on what the person(s) should be like to control the determination of the financial and business policy of the Company will be referred to as the "Fundamental Policy" hereinafter.

The state of principal shareholders as of November 30, 2016 is as described in Material 1 (page 52). The Company has business, including purchase of products and lease of offices, with Nakashimoto Co., Ltd. and Tohka Co., Ltd., which are among the principal shareholders described in Material 1 (page 52). However, the Company and these shareholders have forged relationship of independence from each other in determining their respective financial and business policies. While such large shareholders exist, there is no denying the possibility of a large purchase action that may materially injure the corporate value of the Company and the common interests of its shareholders. Hence, the Company considers it necessary to devise and maintain some rational rules against large purchase actions in accordance with the Fundamental Policy.

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## II. Special measures to facilitate the implementation of the Company's Fundamental Policy

To encourage many investors to invest in the Company on a continued, long-term basis, it has implemented the following measures to facilitate the enhancement of its corporate value and the common interests of its shareholders. We believe these measures will facilitate the implementation of the Company's Fundamental Policy.

### 1. Institution of the Group's medium-term business plan

The Group has instituted a medium-term business plan for three years commencing December 1, 2015 to further enhance its corporate value by making the most use of the corporate value set forth in Chapter I, Section 1 "Source of the corporate value of the Company" above.

Having established in its medium-term business plan four management policies—strengthen the management base, enhance cost competitiveness, create added value and take up challenges in new fields—that revolve around "making the most of our unique capabilities and an ability to create new products, markets and demand," the Group intends to challenge towards dramatic growth.

To put the medium-term business plan into action, the Group aims to make aggressive business and equipment investment to strengthen its revenue-generating base and enhance asset efficiency in each business division based upon the above-mentioned management policies, which we believe will facilitate the enhancement of its corporate value and the common interests of its shareholders.

### 2. Upgrading of corporate governance

To continuously increase its corporate value and the common interests of its shareholders through efficient and sound management, the Group regards the upgrading of its organizations, schemes and systems of management and timely and proper implementation of necessary measures as one of the most important management challenges.

To more clearly define the management responsibility for each fiscal year and establish a management structure that can respond to changes in the business environments with agility, the Company has set the term of office of Directors to one year. Additionally, to further strengthen its audit system, the Company has employed a system of five Corporate Auditors, including three outside Corporate Auditors.

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- III. Measures to prevent the determination of the financial and business policy of the Company from being controlled by any inadequate person in consideration of the Fundamental Policy (a defense plan against large purchase actions of the shares of the Company (takeover defense plan))

The Company will institute the rules (the "Large Purchase Rules"), as described below, as measures to prevent the determination of the financial and business policy of the Company from being controlled by any inadequate person in consideration of the Fundamental Policy.

The defense plan against a large purchase action of the shares of the Company (takeover defense plan) described in Chapter III, Sections 1 through 6 will be referred to as the "Defense Plan" hereinafter.

The Defense Plan satisfies all of the three principles provided in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005, namely, (i) securing the corporate value and shareholders' common interests, (ii) prior disclosure and the principle of upholding the shareholders' intent, and (iii) necessity and suitability principle. Additionally, adequate consideration has been given to the content of the "Appropriate Takeover Defense Measures in Consideration of Recent Environmental Changes" publicized on June 30, 2008 by the Corporate Value Study Group established by the Ministry of Economy, Trade and Industry.

For a summary of the Defense Plan (flowchart), please refer to Material 2 (page 53).

## 1. Coverage of the Defense Plan

The Defense Plan covers (i) a purchase of shares and other securities (see Note 3) of the Company to make the ratio of voting rights (see Note 2) of any specified shareholder group (see Note 1) 20% or more, or (ii) a purchase of shares and other securities of the Company resulting in making the ratio of voting rights of any specified shareholder group 20% or more (whether by market trading, by TOB or otherwise; with regard to any TOB, upon public notice of the commencement thereof, it shall be regarded as a purchase), excepting any purchase agreed to by the Board of Directors in advance.

Any purchase action covered by the Defense Plan shall be referred to as a "Large Purchase Action" and any person engaging in a Large Purchase Action shall be referred to as a "Large Purchaser" hereinafter, respectively.

Note 1: A specified shareholder group means:

- (i) a holder(s) (including any person included in the holders under Article 27-23, paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as the "FIEA"); the same applies hereinafter) of shares and other

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securities (as defined in Article 27-23, paragraph 1 of the FIEA) of the Company and any joint holder(s) (as defined in Article 27-23, paragraph 5 of the FIEA and including any holder(s) deemed to be his/her/its joint holder(s) under paragraph 6 of the same Article thereof; the same applies hereinafter), or

- (ii) a person(s) conducting a purchase, etc. (as defined in Article 27-2, paragraph 1 of the FIEA and including any purchase conducted either by bidding or not, and on a securities market of any stock exchange) of shares and other securities (as defined in Article 27-2, paragraph 1 of the FIEA) of the Company and his/her/its affiliated person(s) (as defined in Article 27-2, paragraph 7 of the FIEA).

Note 2: Ratio of voting rights means:

- (i) in the case of Note 1 (i) above, the holder's holding ratio of shares and other securities (as defined in Article 27-23, paragraph 4 of the FIEA, in which case the number of shares held by the holder's joint holder (as defined under the same paragraph; the same applies hereinafter) shall be taken into account), or
- (ii) in the case of Note 1 (ii) above, the total of the Large Purchaser's and affiliated person's holding ratios of shares and other securities (as defined in Article 27-2, paragraph 8 of the FIEA).

For the purpose of calculating each holding ratio of shares and other securities, the total number of voting rights (as defined in Article 27-2, paragraph 8 of the FIEA) and the total number of issued shares (as defined in Article 27-23, paragraph 4 of the FIEA) may be referred to in the securities report, quarterly report or report on the purchase by the company of its own shares, whichever has most recently been filed.

Note 3: Shares and other securities mean those defined in Article 27-23, paragraph 1 of the FIEA.

## 2. Particulars of the Large Purchase Rules

The Company will institute Large Purchase Rules under which any Large Purchaser can commence a Large Purchase Action only after (1) it provides the Board of Directors of the Company with necessary and sufficient information on the Large Purchase Action in advance and (2) a specified period of evaluation thereof by the Board of Directors elapses.

With regard to the Large Purchase Rules, the Company will (3) establish an Independent Committee to ensure the Defense Plan to be implemented properly and prevent arbitrary judgments by the Board of Directors as far as possible and (4) follow procedures for confirming the intention of the shareholders as the necessity arises from the perspective of respecting their intention.

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The particulars of the Large Purchase Rules to be instituted by the Company are described below:

## (1) Provision of information

Any Large Purchaser must submit to the Representative Director of the Company a "declaration of intention", which shall state its name and address, the law under which it was organized, the name of its representative and its contact address in Japan, as well as the summary of the proposed Large Purchase Action, together with a covenant to comply with the Large Purchase Rules, and provide the Board of Directors with necessary and sufficient information ("Necessary Information") to allow the shareholders to make judgments and the Board of Directors to formulate an opinion.

Within 10 business days after receipt of a declaration of intention from the Large Purchaser, the Board of Directors will deliver to the Large Purchaser a list of Necessary Information to initially be provided by the Large Purchaser and it must provide such information. If, then, the information provided by the Large Purchaser is found to be insufficient after the close investigation thereof, the Board of Directors will repeatedly request the Large Purchaser to provide such information as to make Necessary Information necessary and sufficient, subject to the receipt of recommendations to the same effect from the Independent Committee (which will be discussed in Chapter III, Section 2 (3) "Independent Committee" below).

The specific content of the Necessary Information may vary according to the attribute of the Large Purchaser and the purpose and content of the Large Purchase Action. However, some of the general items are as follows:

- (i) Outline of the Large Purchaser and its group (including its joint holders and affiliated persons) (including information on its business lines, capital composition, experience in businesses similar to those of the Company and the Group (food business, including manufacture and sale of mayonnaise and dressings, the Group's core business, and distribution business) and past investment activities);
- (ii) Purpose and content of the Large Purchase Action (including the price and kind of consideration of the purchase, the timing of the purchase, the scheme of related transactions, the validity of the method of the purchase and the feasibility of the purchase and related transactions);
- (iii) Basis of the calculation of the price for the acquisition of the shares of the Company and the source of financing of the acquisition (including the specific name of the financier(s) (including substantial financier(s)), the method of financing and the details of related transactions);
- (iv) Planned candidate management (including information on experience in businesses similar to those of the Company and the Group (food business,

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including manufacture and sale of mayonnaise and dressings, the Group's core business, and distribution business)), management policy, business plan (including attitudes towards the development and cultivation of products in response to customers' preferences and proposals of new eating habits and menus, measures against changes in prices of major raw materials, measures against product accidents and issues of food safety and sanitation and measures for maintaining good relations with important trading partners), financing plan, capital policy, dividend policy and asset utilization measures after participation in management of the Company and the Group ("After-Purchase Management Plan"); and

- (v) Changes expected or not expected to occur in the relations of the Company and the Group with its/their stakeholders, including trading partners, customers and employees after the completion of the Large Purchase Action.

In the event that the Board of Directors receives a declaration of intention from the Large Purchaser, sends a list of the Necessary Information to the Large Purchaser and the provision of the Necessary Information by the Large Purchaser is completed, the Board of Directors will promptly give public notice thereof, respectively. Additionally, the Board of Directors will disclose all or part of the Necessary Information to the shareholders and investors in the event that it considers it necessary to do so to allow the shareholders to make judgments, at such time as considered adequate by the Board of Directors.

## (2) Period of evaluation by the Board of Directors

The Board of Directors considers that after the completion of the provision of the necessary and sufficient Necessary Information by the Large Purchaser to the Board of Directors, according to the degree of difficulty in the evaluation of the Large Purchase Action, 60 days (in case of a purchase of all of the shares of the Company by a TOB the consideration of which is only cash (in the yen)) or 90 days (in cases of other Large Purchase Actions) should be allowed to the Board of Directors as a period for the Board of Directors' evaluation, deliberation, negotiation, formulation of an opinion, preparation of an alternative proposal, determination of the necessity to follow procedures for confirming the intention of the shareholders and determination of whether or not to trigger the Defense Measure (the "Directors' Evaluation Period"). Any Large Purchase Action may be commenced only after the lapse of the Directors' Evaluation Period.

During the Directors' Evaluation Period, the Board of Directors of the Company will fully evaluate and deliberate on the Necessary Information provided by the Large Purchaser while consulting with the Independent Committee and seeking advice from third-party experts whenever necessary, and carefully formulate an opinion of its own and publicize it. The Board of Directors will also negotiate with the Large Purchaser about any revision of the conditions of the Large Purchase Action in its favor and/or present its alternative proposal on the management policy of the Group to the shareholders of the Company whenever necessary.

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In any unavoidable circumstance where the Board of Directors fails to determine whether or not to trigger the Defense Measure during the Directors' Evaluation Period (such as circumstances where the Independent Committee fails to recommend the triggering of the Defense Measure during the Directors' Evaluation Period and procedures for confirming the intention of the shareholders are followed as set forth in Chapter III, Section 2 (4) "Procedures for confirming the intention of the shareholders" below), the Board of Directors may, upon recommendation from the Independent Committee, extend the Directors' Evaluation Period as long as necessary but not exceeding 30 days (the period may be extended to follow procedures for confirming the intention of the shareholders as set forth in Chapter III, Section 2 (4) "Procedures for confirming the intention of the shareholders" below). In the event that the Board of Directors determines to extend the Directors' Evaluation Period, it will immediately disclose the specific period so determined to be extended and the reason for the necessity thereof to the shareholders and investors pursuant to laws or ordinances and the rules of the financial instrument exchange.

## (3) Independent Committee

The Company will establish an Independent Committee as a checking function to ensure the Defense Plan to be implemented properly and prevent arbitrary judgments by the Board of Directors. The Independent Committee shall consist of at least three members, who shall be appointed from among outside experts (see Note 4) independent of the management responsible for execution of business of the Company, outside Directors of the Company and outside Corporate Auditors of the Company (outside Directors and outside Corporate Auditors are in a position to express impartial opinions, free of influence from persons in charge of execution of business), to enable them to make fair and indifferent judgments. When the continuation of the Defense Plan is approved at the 104th General Meeting, the names and profiles of the initial members of the Independent Committee after the continuation will be as described in Material 3 (page 54). The outline of the Independent Committee will be as described in Material 4 (page 56 to page 58).

To make important judgments with regard to the Defense Plan, such as whether or not the Large Purchaser observes the Large Purchase Rules (see Chapter III, Section 3 (1) "In case the Large Purchaser observes the Large Purchase Rules" below), whether or not the Directors' Evaluation Period should be extended (see Chapter III, Section 2 (2) "Period of evaluation by the Board of Directors" above), whether or not the Large Purchase Action is considered to materially injure the corporate value of the Company and the common interests of its shareholders (see Chapter III, Section 3 (1) "In case the Large Purchaser observes the Large Purchase Rules" below) and whether or not to trigger the Defense Measure, the Board of Directors shall consult with the Independent Committee without fail and respect its recommendation to the maximum extent possible.

The Independent Committee may receive advice from any third-party expert independent of the Board of Directors or the Independent Committee itself as the necessity arises. All cost defrayed in obtaining such advice shall be borne by the Company, barring exceptions considered specifically unreasonable.

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Any resolution of the Independent Committee shall be adopted at a meeting of the Independent Committee at which all the members thereof then in office shall be present, by a majority of the members present thereat; provided, however, that if any member is unable to be present or in any other unavoidable circumstance, such resolution shall be adopted at a meeting of the Independent Committee at which a majority of the members then in office shall be present, by a majority of the members present thereat.

Note 4: "Outside expert" means any corporate executive having broad experience in business management, person familiar with investment banking business, attorney, certified public accountant, academic expert who majors in corporate laws and any other similar person.

## (4) Procedures for confirming the intention of the shareholders

In determining whether or not to trigger the Defense Measure against a Large Purchase Action, the Board of Directors may request the shareholders to judge whether or not to trigger the Defense Measure against such Large Purchase Action, from the perspective of respecting their intention. In the event that the Board of Directors considers it necessary and adequate to follow the procedures for confirming the intention of the shareholders by taking into consideration the details of the Large Purchase Action proposed by the Large Purchaser, the Necessary Information provided by the Large Purchaser, the circumstance that requires the Board of Directors to determine whether or not to trigger the Defense Measure and costs required to follow the procedures for confirming the intention of the shareholders, the Board of Directors shall follow the procedures. Additionally, in the event that the Board of Directors receives a recommendation to follow the procedures to confirm the intention of the shareholders from the Independent Committee, the Board of Directors shall respect such recommendation to the maximum extent possible.

To confirm the intention of the shareholders, a resolution shall be adopted at a general meeting of shareholders (a "General Meeting of Shareholders") under the Companies Act of Japan. In the event that such General Meeting of Shareholders is held, the Board of Directors shall, pursuant to the resolution adopted thereat, trigger, or not trigger, the Defense Measure against the proposed Large Purchase Action as the case may be. Whenever necessary, the Board of Directors shall promptly fix a record date ("Record Date") to determine the shareholders entitled to exercise their voting rights at the General Meeting of Shareholders and give notice thereof no later than two weeks prior to the Record Date by a method specified in the Articles of Incorporation of the Company. The date of the General Meeting of Shareholders shall be fixed within the initially fixed Directors' Evaluation Period, in principle. However, in any unavoidable circumstance where it takes time procedurally to convene a General Meeting of Shareholders or otherwise, the Board of Directors may extend the Directors' Evaluation Period for 30 days upon recommendation from the Independent Committee.

- (i) The shareholders entitled to exercise their voting rights at the General Meeting of Shareholders shall be those recorded in the final register of shareholders as of the Record Date.
- (ii) Any resolution at the General Meeting of Shareholders shall, pursuant to laws

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or ordinances and the Articles of Incorporation of the Company, be adopted by a majority of the votes of the shareholders present thereat who shall be entitled to exercise their voting rights.

- (iii) In the event that there occurs any material change in the information (such as the revocation by the Large Purchaser of the Large Purchase Action) for the shareholders to make judgments at the General Meeting of Shareholders, the Board of Directors may change the Record Date even after such Record Date is fixed for the General Meeting of Shareholders, or postpone or cancel the General Meeting of Shareholders.

### 3. Defense Measure when a Large Purchase Action is taken

#### (1) In case the Large Purchaser observes the Large Purchase Rules

In case the Large Purchaser observes the Large Purchase Rules, the Board of Directors will not trigger the Defense Measure against the Large Purchase Action, in principle. Whether or not to agree to the purchase proposal by the Large Purchaser will be left to the judgment of the respective shareholders.

However, if the Large Purchaser is considered not to seriously aim for reasonable management but the Large Purchase Action of the Large Purchaser is considered to cause permanent damage to the Company, whereby materially injuring its corporate value and the common interests of its shareholders, the Board of Directors may exceptionally implement any appropriate measure to protect the interests of its shareholders. The following cases may be judged to materially injure the corporate value of the Company and the common interests of its shareholders:

- (i) The Large Purchaser takes a Large Purchase Action that will result in an apparent injury of the corporate value of the Company and the common interests of its shareholders as set forth in items i) through iv) below:
  - i) The Large Purchaser has no true intention to participate in the management of the target company but engages in the purchase of shares for the purpose of raising the price of the shares and selling them at higher prices to the parties related to the target company;
  - ii) The Large Purchaser purchases the shares for the purpose of enabling the Large Purchaser to transfer a so-called "crown jewel," including intellectual property rights, know-how, trade secrets, principal trading partners and customers, etc. of the target company and its group under its temporary management to the Large Purchaser and/or its group companies (scorched earth policy);
  - iii) The Large Purchaser purchases the shares for the purpose of diverting assets of the target company and its group to mortgages and/or repayments of

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liabilities incurred by the Large Purchaser and its group companies, etc. after it gains control of management of the target company; and

- iv) The Large Purchaser purchases the shares for the purpose of enabling the Large Purchaser to cause the target company and its group under its temporary management to pay temporarily high returns to the shareholders with proceeds from sales of the real estate, securities and expensive assets, etc. not relevant to the current business of the target company and its group or to sell out the target company's shares at such higher prices arising from the sharp rise of the target company's shares due to a temporary high return, etc. to the shareholders.
- (ii) The purchase method of the shares of the Company proposed by the Large Purchaser falls under a two-tier coercive purchase proposal (i.e., at the first stage, the purchase of the entire Company's shares are not solicited but at the second stage, the purchase will be consummated at less favorable or unspecified conditions to the shareholders).

For the Defense Measure, the Board of Directors will select the most appropriate vehicle in its judgment when it triggers the Defense Measure, by taking into consideration the necessity and adequacy thereof. For that purpose, in the event that the Board of Directors selects the free allocation of stock acquisition rights as a vehicle for the Defense Measure, the summary thereof shall be as described in Material 5 (page 59 to page 60). It is not contemplated that any cash will be delivered as a consideration for the acquisition of the stock acquisition rights held by any person not having the right to exercise the stock acquisition rights.

In determining whether or not to trigger the Defense Measure as described above, in order to ensure the objectivity and rationality of the determination, the Board of Directors will investigate the specific contents of the Large Purchaser and the Large Purchase Action and a prospective impact of the Large Purchase Action on the corporate value of the Company and the common interests of its shareholders, based on the Necessary Information, including an After-Purchase Management Policy, provided by the Large Purchaser and by receiving advice from any third-party expert whenever necessary, and respect recommendations from the Independent Committee to the maximum extent possible. Additionally, as described in Chapter III, Section 2 (4) "Procedures for confirming the intention of the shareholders" above, a General Meeting of Shareholders may be held to seek the judgment of the shareholders.

## (2) In case the Large Purchaser does not observe the Large Purchase Rules

In case the Large Purchaser does not observe the Large Purchase Rules, in order to protect the corporate value of the Company and the common interests of its shareholders, the Board of Directors will trigger the Defense Measure, including the issuance of stock acquisition rights, as authorized by the Companies Act and other laws or ordinances and the Articles of Incorporation of the Company, against the Large Purchase Action by taking into

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consideration the necessity and adequacy thereof. The Board of Directors will determine whether or not the Large Purchaser observes the Large Purchase Rules and whether or not it is appropriate to trigger the Defense Measure, by reference to the opinions of third-party experts and by respecting recommendations from the Independent Committee to the maximum extent possible. Additionally, as described in Chapter III, Section 2 (4) "Procedures for confirming the intention of the shareholders" above, a General Meeting of Shareholders may be held to seek the judgment of the shareholders.

For the Defense Measure, the Board of Directors will select the most appropriate vehicle in its judgment then (As described in Chapter III, Section 2 (4) "Procedures for confirming the intention of the shareholders" above, a General Meeting of Shareholders may be held to seek the judgment of the shareholders. In such case, the Board of Directors will comply with any resolution of the General Meeting of Shareholders.). In the event that the Board of Directors selects the free allocation of stock acquisition rights as a vehicle for the Defense Measure, the summary thereof shall be as described in Material 5 (page 59 to page 60). It is not contemplated that any cash will be delivered as a consideration for the acquisition of the stock acquisition rights held by any person not having the right to exercise the stock acquisition rights.

## (3) Cessation of the triggering of the Defense Measure

Even after the determination to trigger the Defense Measure, in the event that the Large Purchaser revokes or changes the Large Purchase Action or otherwise the Board of Directors judges it inappropriate to trigger the Defense Measure, it may change or cease the triggering of the Defense Measure by respecting recommendations from the Independent Committee to the maximum extent possible.

In the event that the Board of Directors makes a free allocation of stock acquisition rights as a vehicle for the Defense Measure, if, after the determination of the shareholders qualified for the allocation of stock acquisition rights, the Large Purchaser revokes or changes the Large Purchase Action or otherwise and consequently, the Board of Directors judges it inappropriate to trigger the Defense Measure, it may cease the triggering of the Defense Measure, as described below:

- (i) At any time prior to the day on which the free allocation of the stock acquisition rights shall become effective, the Board of Directors may cease the free allocation of the stock acquisition rights by respecting recommendations from the Independent Committee to the maximum extent possible.
- (ii) At any time on or after the day on which the free allocation of the stock acquisition rights shall become effective and prior to the commencement of the exercise period of the stock acquisition rights, the Board of Directors may acquire the stock acquisition rights without compensation by respecting recommendations from the Independent Committee to the maximum extent possible.

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In the event that the Board of Directors ceases the triggering of the Defense Measure as described in item (i) or (ii) above, it will promptly disclose all necessary and sufficient information, including such matters as considered necessary by the Independent Committee, to the shareholders and investors.

With regard to the change of the triggering of the Defense Measure, in the event that the Large Purchaser changes the number of shares to be acquired through the Large Purchase Action, the Board of Directors may change the number of shares to be issued or transferred for each stock acquisition right, for instance.

## 4. Impacts on the shareholders and investors

### (1) Impact of the Large Purchase Rules on the shareholders and investors

The Large Purchase Rules are intended to afford opportunities to the shareholders of the Company to receive information necessary for them to judge whether or not to agree to a Large Purchase Action, to have the Board of Directors entrusted by the shareholders to manage the Company put forward its opinion thereon, and to have any alternative proposal for management of the Company offered to them. We believe that the Large Purchase Rules will allow the shareholders, with sufficient information provided, to make appropriate judgments as to whether or not to agree to a Large Purchase Action, which will result in the protection of the corporate value of the Company and the common interests of its shareholders. Thus, we believe that the institution of the Large Purchase Rules, which are intended to help the shareholders make appropriate investment judgments, will benefit the shareholders of the Company and investors.

As described in Chapter III, Section 3 "Defense Measure when a Large Purchase Action is taken," defense policies of the Company on a Large Purchase Action vary, depending on whether the Large Purchaser observes the Large Purchase Rules or not. Therefore, it is advisable for the shareholders of the Company and investors to pay attention to the action of the Large Purchaser.

### (2) Impact on the shareholders and investors when the Defense Measure is triggered

In case the Large Purchaser does not observe the Large Purchase Rules, the Board of Directors may trigger the Defense Measure, as authorized by the Companies Act and other laws or ordinances and the Articles of Incorporation of the Company, to protect the corporate value of the Company and the common interests of its shareholders. However, under the scheme of the Defense Measure, it is not assumed that the shareholders (excluding the Large Purchaser (including specified shareholder group) against which the Defense Measure is triggered) of the Company will incur any specific loss on their legal rights or economic interests. In the event that the Board of Directors determines to trigger the Defense Measure, it will make timely and proper disclosure pursuant to laws or ordinances and the rules of the financial instrument exchange. In the event that the Board of Directors ceases to issue stock acquisition rights or acquires the issued stock acquisition rights without consideration, the stock value per share will not be diluted. Hence, any shareholder or

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investor who trades in the shares, assuming that the stock value of the Company will be diluted on or after the ex-date relating to the free allocation of stock acquisition rights, may incur an unexpected loss due to stock price movements.

## (3) Procedures to be followed by the shareholders when the Defense Measure is triggered

When the Defense Measure is triggered, the shareholders will be required to follow the procedures described below.

For further details of the methods of allocation, the registration of transfers of shares, the exercise of stock acquisition rights, and the acquisition thereof by the Company, information will be disclosed or notified to the shareholders after the determination of the Board of Directors with regard to the Defense Measure.

### (i) Procedures for the registration of transfers of shares

In the event that the Board of Directors determines to make a free allocation of stock acquisition rights as a vehicle for the Defense Measure, the Company will give public notice of the record date for the free allocation thereof. As the stock acquisition rights will be allocated free of charge to the shareholders recorded in the final register of shareholders of the Company as of the record date, the shareholders will have to be recorded in the final register of shareholders as of the record date.

### (ii) Procedures for exercise of stock acquisition rights

In the event that the Board of Directors determines to make a free allocation of stock acquisition rights as a vehicle for the Defense Measure, the Company may send a form of exercise of stock acquisition rights (a form designated by the Company to include necessary matters, such as the content and number of the stock acquisition rights to be exercised, and the statement confirming that the shareholder does not belong to any specified shareholder group) and other documents necessary for the exercise of stock acquisition rights to each of the shareholders recorded in the final register of shareholders of the Company as of the record date. In that event, when, after the free allocation of the stock acquisition rights, any shareholder submits a form of exercise of stock acquisition rights and other necessary documents therefor and pays such price for each stock acquisition right no less than one yen as determined in the resolution for the free allocation of the stock acquisition rights adopted by the Board of Directors at any payment handling place during the exercise period of the stock acquisition rights, such number of shares of the Company as determined separately by the Board of Directors will be issued per stock acquisition right.

### (iii) Procedures for the acquisition by the Company of stock acquisition rights

In the event that the Board of Directors determines to acquire stock acquisition rights, the Company will acquire the stock acquisition rights as of the date separately designated by the Board of Directors, in accordance with the statutory procedures. In the event that the

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Board of Directors shall deliver the shares of the Company to the shareholders in exchange for the acquisition of their stock acquisition rights, it will do so promptly. In the event that the Board of Directors acquires the stock acquisition rights, each of the shareholders acquiring the shares in exchange for the stock acquisition rights may be requested to submit a form designated by the Company including the statement confirming that the shareholder does not belong to any specified shareholder group.

## 5. Effective period of the Defense Plan

In the event that the continuation of the Defense Plan is approved at the 104th General Meeting, the effective period of the continued Defense Plan shall be extended until the close of the 107th ordinary general meeting of shareholders to be held no later than February 29, 2020 and in the event that the continuation of the Defense Plan is approved at the ordinary general meeting of shareholders of the Company relating to the last fiscal year ending within three years thereafter, it shall be extended for three more years. In the event that the continuation of the Defense Plan is so approved, the Board of Directors will promptly give notice thereof.

Even in the event that the continuation of the Defense Plan is approved, from the perspective of protecting the corporate value of the Company and the common interests of its shareholders, the Board of Directors will review the plan from time to time by taking into consideration the developments of related laws or ordinances and the listing policy devised by the Tokyo Stock Exchange and may change or abolish the Defense Plan upon approval of the General Meeting of Shareholders whenever necessary. In such case, the details thereof will be notified promptly.

6. The Defense Plan's compliance with the Fundamental Policy, not injuring the common interests of the shareholders of the Company and not contemplated to maintain the position of the officers of the Company, and the reasons therefor

### (1) The Defense Plan's compliance with the Fundamental Policy

The Defense Plan stipulates the particulars of the Large Purchase Rules, the defense plan in case of a Large Purchase Action, the establishment of an Independent Committee and the impacts on the shareholders and investors.

The Defense Plan requires any Large Purchaser to provide the Board of Directors with necessary and sufficient information on a Large Purchase Action in advance and commence the Large Purchase Action only after the lapse of the Directors' Evaluation Period and specifies that the Board of Directors may trigger any defense measure against the Large Purchaser not observing the Large Purchase Rules.

The Defense Plan also stipulates that even in the event that the Large Purchaser observes the Large Purchase Rules, if its Large Purchase Action is considered by the Board of Directors to materially injure the corporate value of the Company and the common interests of its shareholders, the Board of Directors may trigger any defense measure

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considered appropriate to protect the corporate value of the Company and the common interests of its shareholders.

Hence, we believe the Defense Plan complies with the Fundamental Policy.

- (2) The Defense Plan's not injuring the common interests of the shareholders of the Company

As described in "Fundamental policy on what the person(s) should be like to control the determination of the financial and business policy of the Company," the Fundamental Policy is based on respect for the corporate value of the Company and the common interests of its shareholders. The Defense Plan, which is designed according to the philosophy of the Fundamental Policy, is intended to afford the opportunities to the shareholders of the Company to receive information necessary for them to judge whether or not to agree to a Large Purchase Action, have the Board of Directors put forward its opinion thereon and have any alternative proposal offered to them. The Defense Plan will allow the shareholders of the Company and investors to make appropriate investment judgments. Thus, we believe that the Defense Plan will not injure the common interests of the shareholders of the Company but rather benefit their interests.

In addition, the effectuation and extension of the Defense Plan is subject to the approval of the shareholders. The Defense Plan has no "dead-hand clause" (a clause that prevents triggering a takeover defense measure if any member of the board of directors that adopted the measure is replaced) or "slow-hand clause" (a clause that prevents triggering a takeover defense measure for a specified period even if a majority of the members of the board of directors that adopted the measure are replaced) and consequently, the shareholders of the Company can abolish the Defense Plan whenever they wish to do. Thus, we believe that the Defense Plan gives assurance that the common interests of the shareholders of the Company will not be injured.

- (3) The Defense Plan's not contemplated to maintain the position of the officers of the Company

Based on the principle of leaving the final judgment to the shareholders of the Company as to whether or not to agree to a Large Purchase Action, the Defense Plan allows the Board of Directors to request compliance with the Large Purchase Rules and trigger a defense measure to the extent necessary to protect the corporate value of the Company and the common interests of its shareholders. The Defense Plan discloses the conditions on the triggering of defense measures by the Board of Directors in advance and in details and any defense measure by the Board of Directors shall be triggered in accordance with the provisions of the Defense Plan. The Board of Directors cannot effectuate or extend the Defense Plan by itself, but subject to the approval of the shareholders of the Company.

In addition, to trigger a defense measure, the Board of Directors shall seek advice from third-party experts whenever necessary in making any important decision on the Defense Policy, and consult with the Independent Committee consisting of the members

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independent of the management responsible for execution of business and respect recommendations from the Independent Committee to the maximum extent possible. Furthermore, the Board of Directors can follow procedures for confirming the intention of the shareholders as the necessity arises from the perspective of respecting their intention. The Defense Plan contains procedures to ensure the proper operation thereof by the Board of Directors.

Thus, we believe that the Defense Plan clearly is not contemplated to maintain the position of the officers of the Company.

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## Material 1

### State of Principal Shareholders

The state of principal shareholders as of November 30, 2016:

| Rank | Name                                                                                                                                                          | Number of shares held (thousand shares) | Ratio of the shares held (%) |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------|
| 1    | Nakashimoto Co., Ltd.                                                                                                                                         | 19,441                                  | 12.99                        |
| 2    | Tohka Co., Ltd.                                                                                                                                               | 11,872                                  | 7.93                         |
| 3    | Japan Trustee Service Bank, Ltd. (Trust account)                                                                                                              | 5,721                                   | 3.82                         |
| 4    | Trust & Custody Services Bank, Ltd.: trustee of sub-trust of Mizuho Trust & Banking Co., Ltd. Employee Retirement Benefit Trust Account for Mizuho Bank, Ltd. | 4,827                                   | 3.23                         |
| 5    | The Master Trust Bank of Japan, Ltd. (Trust account)                                                                                                          | 4,795                                   | 3.20                         |
| 6    | Kieikai Research Foundation                                                                                                                                   | 4,251                                   | 2.84                         |
| 7    | Sumitomo Mitsui Banking Corporation                                                                                                                           | 3,208                                   | 2.14                         |
| 8    | Nippon Life Insurance Company                                                                                                                                 | 3,039                                   | 2.03                         |
| 9    | The Dai-ichi Life Insurance Company, Limited                                                                                                                  | 3,012                                   | 2.01                         |
| 10   | Nakato Scholarship Foundation                                                                                                                                 | 2,494                                   | 1.67                         |

- Notes:
1. The ratios of the shares held are calculated by excluding the shares of treasury stock (3,333,991 shares).
  2. The ratios are shown by rounding five or more in thousandths place upward and the rest downward.

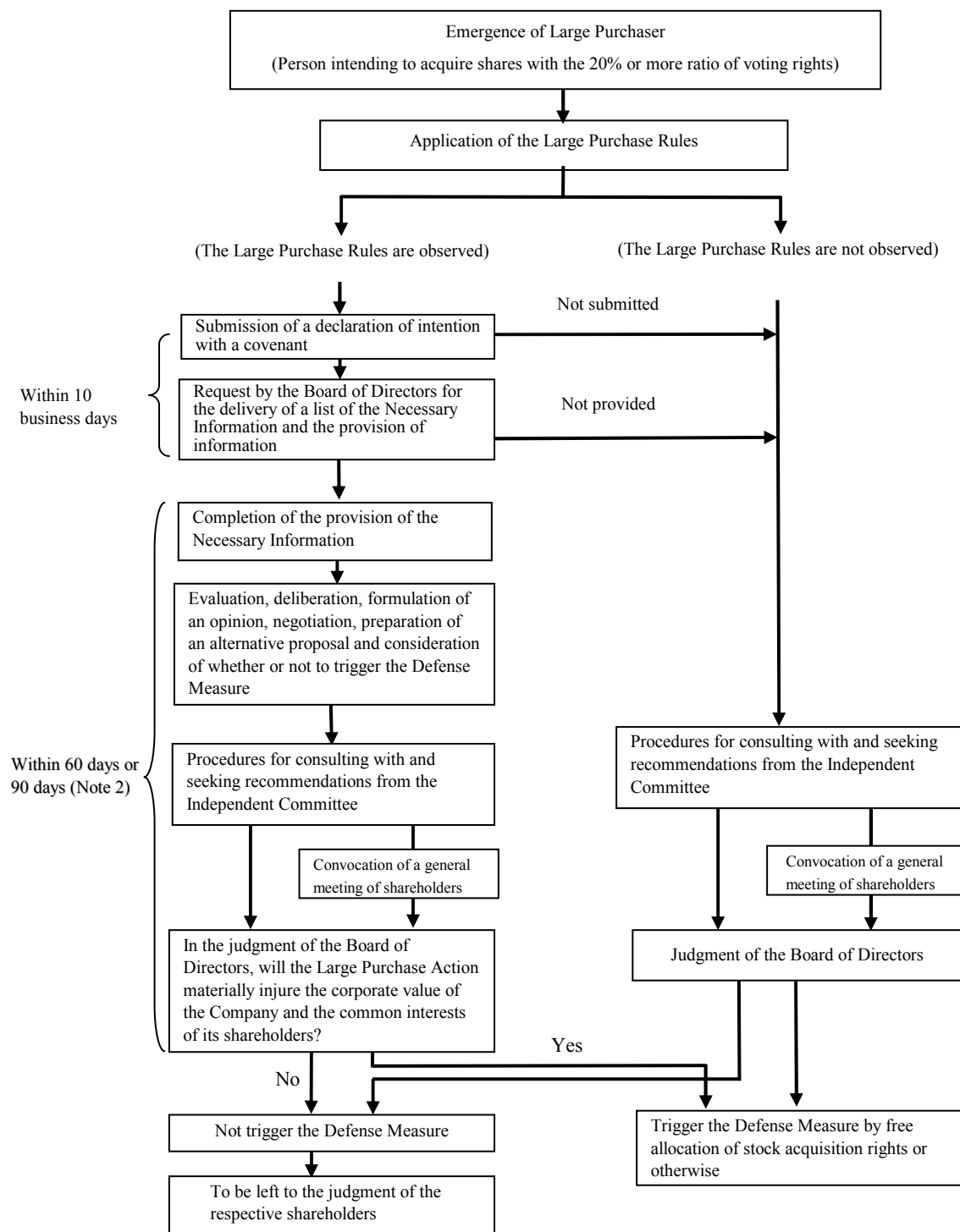
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## Material 2

### Overall flow of the Defense Plan in the event of a Large Purchase Action



- Notes:
1. The above chart is a reference material to facilitate the comprehension of the Defense Plan. For further details of the plan, please refer to the body text hereof.
  2. In the event of the convocation of a general meeting of shareholders, in unavoidable circumstances where the Directors' Evaluation Period must be extended, the period may be within 90 days or 120 days, respectively.

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## Material 3

### Names and Profiles of the Members of the Independent Committee

#### **Toshio Kamiyama** (Date of birth: November 18, 1941)

|               |                                                                                                                                                         |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| February 1969 | Registered as certified public accountant<br>Representative (Head), Kamiyama Certified Public Accountant<br>Office, to this date                        |
| April 1969    | Registered as certified tax accountant                                                                                                                  |
| July 1992     | Council Member, the Japanese Institute of Certified Public<br>Accountants                                                                               |
| February 1995 | President and Representative Director, Kabushiki Kaisha Nihon<br>Kaikeishi Gakkan (Japan Accountant Academy Co., Ltd.)                                  |
| June 1998     | Chairman of Tokyo Chapter, the Japanese Institute of Certified<br>Public Accountants                                                                    |
| August 2001   | Chairman of the Appeal Committee, the Japanese Institute of<br>Certified Public Accountants<br>Examiner of the Certified Public Accountant Examinations |
| July 2004     | Auditor, the Japanese Institute of Certified Public Accountants                                                                                         |
| July 2007     | Member of the Dispute Conciliation Committee, the Japanese<br>Institute of Certified Public Accountants                                                 |
| February 2015 | Chairman and Representative Director, Kabushiki Kaisha Nihon<br>Kaikeishi Gakkan (Japan Accountant Academy Co., Ltd.), to this<br>date                  |
| July 2015     | Representative Member, Kamiyama Certified Public Accountant<br>Office, to this date                                                                     |
| August 2016   | Chairman of the Dispute Conciliation Committee, the Japanese<br>Institute of Certified Public Accountants, to this date                                 |

Note: Mr. Kamiyama and the Company have no special interest in each other.

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## **Yoji Wakui** (Date of birth: February 5, 1942)

|                                                                         |                                                                   |
|-------------------------------------------------------------------------|-------------------------------------------------------------------|
| April 1964                                                              | Joined the Ministry of Finance                                    |
| June 1993                                                               | Director-General of the Secretariat, the Economic Planning Agency |
| May 1995                                                                | Director-General of the Secretariat, the Ministry of Finance      |
| July 1997                                                               | Director-General of the Budget Bureau, the Ministry of Finance    |
| July 1999                                                               | Vice Chairman, Marine and Fire Insurance Association of Japan     |
| February 2004                                                           | Corporate Auditor of the Company                                  |
| June 2004                                                               | Chairman and Representative Director, Japan Tobacco Inc.          |
| June 2006                                                               | Chairman and Director, Japan Tobacco Inc.                         |
| June 2012                                                               | Special Counsel, Japan Tobacco Inc.                               |
| June 2014                                                               | Counsel, Japan Tobacco Inc., to this date                         |
| Note: Mr. Wakui and the Company have no special interest in each other. |                                                                   |

## **Haruo Kasama** (Date of birth: January 2, 1948)

|                                                                          |                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| April 1974                                                               | Appointed as Public Prosecutor                                                                                                                                                                                                  |
| September 1999                                                           | Director-General, Special Investigation Department, the Tokyo District Public Prosecutors Office                                                                                                                                |
| June 2001                                                                | Chief Public Prosecutor, the Kofu District Public Prosecutors Office                                                                                                                                                            |
| October 2002                                                             | Deputy Chief Prosecutor, the Tokyo District Public Prosecutors Office                                                                                                                                                           |
| June 2005                                                                | Deputy Superintending Prosecutor, the Tokyo High Public Prosecutors Office                                                                                                                                                      |
| June 2006                                                                | Director-General, Criminal Affairs Division, the Supreme Public Prosecutors Office                                                                                                                                              |
| October 2007                                                             | Deputy Prosecutor General, the Supreme Public Prosecutors Office                                                                                                                                                                |
| January 2009                                                             | Superintendent Public Prosecutor, the Hiroshima High Public Prosecutors Office                                                                                                                                                  |
| June 2010                                                                | Superintendent Public Prosecutor, the Tokyo High Public Prosecutors Office                                                                                                                                                      |
| December 2010                                                            | Prosecutor General, the Supreme Public Prosecutors Office                                                                                                                                                                       |
| October 2012                                                             | Registered as attorney (with the Daiichi Tokyo Bar Association), to this date                                                                                                                                                   |
| June 2013                                                                | Outside Director, Japan Postal Holdings Co., Ltd.<br>Outside Corporate Auditor, Sumitomo Corporation, to this date<br>Outside Audit & Supervisory Board Member, NKSJ Holdings, Inc. (current Sampo Holdings Inc.), to this date |
| February 2014                                                            | Outside Corporate Auditor of the Company, to this date                                                                                                                                                                          |
| Note: Mr. Kasama and the Company have no special interest in each other. |                                                                                                                                                                                                                                 |

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## Material 4

### Outline of the Independent Committee

#### 1. Establishment

An Independent Committee shall be established by resolution of the Board of Directors of the Company.

#### 2. Members

The Independent Committee shall consist of at least three members authorized by the Board of Directors, who shall be appointed from among outside Directors of the Company, outside Corporate Auditors of the Company, corporate executives having broad experience in business management, persons familiar with investment banking business, attorneys, certified public accountants, academic experts who major in corporate laws and other similar persons independent of the management responsible for execution of business of the Company. In the event that the continuation of the Defense Plan is approved at the 104th General Meeting, the members expected to assume office after the continuation thereof will be Messrs. Toshio Kamiyama, Yoji Wakui and Haruo Kasama.

#### 3. Term of office

In the event that the continuation of the Defense Plan is approved at the 104th General Meeting, the term of office of the members of the Independent Committee shall expire at the close of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the close of the 104th General Meeting and in the event that the continuation of the Defense Plan is approved at the ordinary general meeting of shareholders of the Company relating to the last fiscal year ending within three years thereafter, it shall be extended for three more years; provided, however, that the term of office of the members of the Independent Committee shall not be extended if otherwise determined by the Board of Directors. Additionally, in the event that any member of the Independent Committee who has been outside Director of the Company or outside Corporate Auditor of the Company ceases to be such outside Director or outside Corporate Auditor (unless he is reappointed as Director or Corporate Auditor and has not lost the position of outside Director or outside Corporate Auditor then), his term of office as the member of the Independent Committee shall expire simultaneously.

In the event of any vacancy in the number of the members of the Independent Committee, a new member shall be appointed by resolution of the Board of Directors from among the persons who shall meet the requirement for the membership set forth in paragraph 2 above. The term of office of the newly appointed member shall be the remaining term of office of the member who caused such vacancy.

#### 4. Requirements for resolutions

Any resolution of the Independent Committee shall be adopted at a meeting of the

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Independent Committee at which all the members thereof then in office shall be present, by a majority of the members present thereat, in principle; provided, however, that if any member is unable to be present or in any other unavoidable circumstance, such resolution shall be adopted at a meeting of the Independent Committee at which a majority of the members then in office shall be present, by a majority of the members present thereat.

In the event that no resolution was passed or adopted, the chairman of the Independent Committee shall give report to that effect to the Board of Directors.

## 5. Matters to be resolved

In the event that the Board of Directors consults with the Independent Committee, it shall deliberate on the matters set forth in the following items according to such consultation and by its resolution, determine the result of deliberations. In the event that the Independent Committee adopts a resolution, it shall recommend the content of the resolution, together with the reason therefor, to the Board of Directors. In performing their duties, the members of the Independent Committee must do so from the perspective of benefiting the corporate value of the Company and the common interests of its shareholders, but not for the purpose of benefiting themselves or any third party (including the management of the Company).

- (i) Whether or not the relevant action falls under any Large Purchase Action under the Large Purchase Rules;
- (ii) Necessary Information to be provided by the Large Purchaser to the Board of Directors and the deadline thereof;
- (iii) Close investigation of and deliberation on the Necessary Information provided by the Large Purchaser;
- (iv) Close investigation of and deliberation on the details of the Large Purchase Action of the Large Purchaser;
- (v) Whether or not the Large Purchase Action will materially injure the corporate value of the Company and the common interests of its shareholders;
- (vi) Whether or not the Large Purchaser observes the Large Purchase Rules;
- (vii) Whether or not to extend the Directors' Evaluation Period;
- (viii) Whether or not to consult with the general meeting of shareholders as to whether nor not to trigger the Defense Measure;
- (ix) Whether or not to trigger, change or cease the Defense Measure;
- (x) Deliberation on the continuation, change and cessation of the Large Purchase Rules; and

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- (xi) Other matters consulted by the Board of Directors with the Independent Committee.

To ensure that the Independent Committee will make appropriate decisions, it must endeavor to collect necessary and sufficient information in deliberating on any of the matters listed above and may, at the expense of the Company (unless considered specifically unreasonable), receive advice from any third-party expert (including any financial advisor, certified public accountant, attorney, consultant and other professional).

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## Material 5

### Summary of Stock Acquisition Rights

1. Shareholders qualified for stock acquisition rights and the condition for the allocation thereof

To the shareholders recorded in the final register of shareholders as of the record date for the allocation of stock acquisition rights fixed by the Board of Directors, the Company will allocate such number of stock acquisition rights for each of their shares of common stock of the Company (excluding those held by the Company) as shall be determined separately by the Board of Directors, without payments therefor.

2. Class and number of shares to be issued or transferred upon exercise of stock acquisition rights

The shares to be issued or transferred upon exercise of stock acquisition rights shall be shares of common stock of the Company. The total number of shares to be issued or transferred upon exercise of stock acquisition rights shall not exceed the number obtained by deducting the total number of issued shares of common stock of the Company (excluding those held by the Company) from the total number of shares authorized to be issued by the Company as of the record date for the allocation thereof fixed by the Board of Directors.

3. Total number of stock acquisition rights to be allocated

The total number of stock acquisition rights to be allocated shall be the number to be determined separately by the Board of Directors. The Board of Directors may allocate stock acquisition rights in two or more series.

4. Amount of property to be contributed upon exercise of each stock acquisition right

The amount of property to be contributed (the amount to be paid in) upon exercise of each stock acquisition right shall be no less than one yen, as shall be determined by the Board of Directors.

5. Restriction on transfer of stock acquisition rights

The acquisition of stock acquisition rights by any transfer thereof shall be subject to approval of the Board of Directors.

6. Conditions for exercise of stock acquisition rights

Conditions for exercise of stock acquisition rights, such as the denial of the exercise thereof by any person belonging to any specified shareholder group with the 20% or more ratio of voting rights, shall be established. The particulars of the conditions for exercise of stock acquisition rights shall be established separately by the Board of Directors.

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## 7. Exercise period, reasons for the acquisition, and conditions for the acquisition of, stock acquisition rights and other necessary matters

The exercise period, reasons for the acquisition, and conditions for the acquisition of, stock acquisition rights and other necessary matters shall be determined separately by the Board of Directors. In the event that shares of common stock are delivered in consideration of the acquisition by the Company of stock acquisition rights, the maximum number of such shares of common stock shall be the number obtained by deducting the total number of issued shares of common stock of the Company (excluding those held by the Company) from the total number of shares authorized to be issued by the Company as of the date of the acquisition of stock acquisition rights.

Even after the determination to trigger the Defense Measure, in the event that the Large Purchaser revokes or changes the Large Purchase Action or otherwise the Board of Directors judges it inappropriate to trigger the Defense Measure, it may cease the triggering of the Defense Measure. On or after the day on which the free allocation of the stock acquisition rights shall become effective and prior to the commencement of the exercise period of the stock acquisition rights, the Board of Directors may acquire the stock acquisition rights without compensation by respecting recommendations from the Independent Committee to the maximum extent possible.

The stock acquisition rights may be attached with terms of the acquisition thereof. Such terms of the acquisition of the stock acquisition rights and the content of property to be delivered in exchange for the acquisition thereof may vary with regard to (i) the stock acquisition rights to be acquired and (ii) the property to be delivered in consideration of the acquisition thereof, according to whether or not an allocatee of the stock acquisition rights belongs to a specified shareholder group with the 20% or more ratio of voting rights. It is not contemplated that any cash will be delivered as a consideration for the acquisition of the stock acquisition rights held by any person not having the right to exercise the stock acquisition rights.

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## To the shareholders who desire to ask questions

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Shareholders who attend the General Meeting of Shareholders in person

Shareholders who can ask questions will be selected by lottery at the meeting. Hence, please cooperate in taking the procedure as follows:

1. If you desire to ask a question during the session, with your attendance checked, please register your name and acceptance number with the registration desk for applicants to ask questions in the lobby on the second floor.

Registration hours: 9:00 a.m. to 10:00 a.m.

2. Please receive a card indicating your seat number at the registration desk for applicants and enter the hall. Please confirm your seat with the attendants at the hall.

Any shareholder who desires to ask a question will be led to the seat designated by the Company.

Such shareholder may be accompanied only by his/her interpreter, caretaker or child who is permitted to attend the meeting as an accompanying person.

3. When the shareholder who desires to ask a question takes their designated seat, the attendant will put a lottery ball in a lottery box.

The number of the lottery ball will be identical with the seat number.

4. When the time to invite questions comes, the person responsible for the lottery will draw balls.
5. When the person reads aloud the numbers, the shareholders who hold the cards identical with the numbers are asked to move to the microphone stand nearby and raise questions while following the directions of the chairperson.

- Each shareholder can ask a question or questions only once.
- Such shareholder can ask two questions at most.
- We will expedite the proceedings so that we can invite questions from as many shareholders as possible. However, when we decide that we have conducted a thorough discussion, we may discontinue questions and answers.
- In the event that the person responsible for the lottery reads aloud a number and the respective shareholder is not at their seat, the shareholder will miss their opportunity to ask questions. Please be careful not to leave your seat during the lottery.

# Kewpie Corporation

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6. If any shareholder who is not selected by lottery desires to ask questions, he/she may receive answers from the person in charge of shareholders who desire to ask questions or the secretariat. So, after the closing of this general meeting of shareholders, please contact the person mentioned above. Depending on the content of the questions, answers will be provided from the secretariat by phone at a later date.