March 29, 2022

Canon Marketing Japan Inc.
TSE Code: 8060
Tokyo Stock Exchange (First Section)

Notice Regarding Details of Issuance of Stock Compensation-type Stock Options

Canon Marketing Japan Inc. (the "Company") hereby announces that the Board of Directors meeting, held on March 29, 2022, passed a resolution on issuance of stock acquisition rights as stock compensation-type stock options for Executive Officers who are Vice Presidents or higher (including persons serving concurrently as Directors; hereinafter referred to as "Eligible Officers") as follows:

1. Purpose of Issuance of Stock Compensation-type Stock Options

To further motivate the Eligible Officers to improve business performance and enhance corporate value in the medium to long term by sharing both the benefits and risks of fluctuating stock prices with the shareholders.

2. Specific Details of Stock Compensation-type Stock Options

(1) Date of Allotment of Stock Acquisition Rights and Due Date of Monetary Payment in exchange for Stock Acquisition Rights
April 28, 2022

(2) Persons to Be Allotted Stock Acquisition Rights, the Number of Stock Acquisition Rights to Be Allotted, and the Total Number of Stock Acquisition Rights
The persons to be allotted stock acquisition rights and the number of stock acquisition rights to be allotted to such persons shall be as follows. However, the foregoing shall be on the condition that persons to be allotted stock acquisition rights shall apply for the subscription of stock acquisition rights. In the event that the number of applications for stock acquisition rights is less than the number of stock acquisition rights to be allotted, the number of stock acquisition rights applied for shall be allotted.

Persons to be allotted stock acquisition rights	Number of persons	Number of stock acquisition rights to be allotted
President & Representative Director and Executive President	1	43
Director & Senior Vice President	1	22
Director & Vice President	2	30
Vice President	7	105
Total	11	200

(3) Name of the Stock Acquisition Rights
Stock Acquisition Rights Issued in April 2022 of Canon Marketing Japan Inc.

(4) Class and Number of Shares Subject to Stock Acquisition Rights
The class and number of shares subject to each stock acquisition right (hereinafter referred to as the "Number of Shares Granted") shall be 100 shares of common stock of the Company.
However, in the case where the Company carries out a share split (including gratis allotment of common stock of

the Company; the same applies hereinafter with regard to references to the share split) or share consolidation of its common stock after the date of allotment of stock acquisition rights as set forth in (1) above (hereinafter referred to as the "Allotment Date"), the Number of Shares Granted shall be adjusted according to the formula as below. The resulting fractions of less than one share occurring upon such adjustment shall be rounded down.

$$\text{Number of Shares Granted after adjustment} = \text{Number of Shares Granted before adjustment} \times \text{Ratio of share split or share consolidation}$$

Furthermore, in addition to the preceding, the Company may make appropriate adjustments to the Number of Shares Granted within a reasonable range in the case where the Company carries out a corporate merger, corporate division, or other similar action after the Allotment Date that makes it necessary to adjust the Number of Shares Granted.

(5) Calculation Method of Payment Amount for Stock Acquisition Rights
The payment amount for stock acquisition rights shall be the amount obtained by multiplying the fair value per stock acquisition right on the Allotment Date by the total number of stock acquisition rights to be allotted to the Eligible Officers in office on the Allotment Date. The fair value of the stock acquisition rights shall be calculated using Black-Scholes Model, based on various conditions to be applied on the Allotment Date.
As the payment amount is the fair value of the stock acquisition rights as stated above, it does not constitute a favorable price issue. When allotting stock acquisition rights, eligible persons shall be paid the same amount of monetary compensation as the payment amount set forth above, and the holder of the stock acquisition rights shall, in lieu of delivery of such payment amount, offset the said compensation receivables against the payment obligation for the payment amount for the stock acquisition rights.

(6) Amount of Property to be Contributed upon Exercise of Stock Acquisition Rights
The payment amount per share that may be delivered by exercising each stock acquisition right shall be one yen, and the amount of property to be contributed upon the exercise of each stock acquisition right shall be the amount calculated by multiplying this amount by the Number of Shares Granted.

(7) Period during which Stock Acquisition Rights May be Exercised
The period during which stock acquisition rights may be exercised shall be from April 29, 2022 to April 28, 2052

(8) Matters regarding the Stated Capital and Capital Reserves to be Increased due to the Issuance of Shares upon Exercise of Stock Acquisition Rights
(a) The amount of stated capital to be increased due to the issuance of shares upon exercise of stock acquisition rights shall be one half (1/2) of the maximum amount of increase in stated capital to be calculated in accordance with Article 17, Paragraph 1 of the Regulations on Corporate Accounting, with any amount less than one yen arising from such calculation to be rounded up.
(b) The amount of capital reserves to be increased due to the issuance of shares upon exercise of stock acquisition rights shall be the amount obtained by deducting the amount of stated capital to be increased set forth in (a) above, from the maximum amount of increase in stated capital set forth in (a) above.

(9) Restrictions on the Acquisition of Stock Acquisition Rights by Means of Transfer
Acquisitions of stock acquisition rights by means of transfer shall require the approval of the Board of Directors of the Company.

(10) Conditions for the Exercise of Stock Acquisition Rights
(a) Persons in receipt of stock acquisition rights may, in accordance with the provisions of the stock acquisition rights allotment agreement to be executed between the Company and a holder of the stock acquisition rights, exercise their stock acquisition rights within the range of 0% to 100% according to the degree of achievement

of "**C**onsolidated net income before income taxes" in the business year that includes the Allotment Date, and holders of the stock acquisition rights may exercise all the exercisable stock acquisition rights in their entirety within a period of 10 days (or the next business day, if the tenth day is a holiday) from the day immediately following the day when they lose their position as Eligible Officers.

(b) In the event that the Company recognizes any acts by the Eligible Officers that are in violation of laws and regulations or misconduct in the course of their duties, acts conflicting with the duty of due diligence or duty of loyalty, or any other act equivalent thereto, or if they are deemed to have resigned without good cause, the Company may limit the number of stock acquisition rights that may be exercised by the said holder of the stock acquisition rights, subject to a resolution of the Board of Directors of the Company. In this case, the said holder of the stock acquisition rights may not exercise stock acquisition rights in a quantity exceeding such limit.

(c) In addition to the above, the conditions specified in the agreement to be executed between the Company and a holder of the stock acquisition rights shall apply, based on a resolution of the Board of Directors of the Company.

(11) Matters regarding the Acquisition of Stock Acquisition Rights

In the event that a proposal for a merger agreement whereby the Company becomes a disappearing company, a proposal for a corporate division agreement or a corporate division plan whereby the Company becomes a split company, or a proposal for a share exchange agreement or a share transfer plan whereby the Company becomes a wholly-owned subsidiary, is approved by a General Meeting of Shareholders of the Company (or by resolution of the Board of Directors of the Company, if resolution by a General Meeting of Shareholders is not required), the Company may acquire the stock acquisition rights without consideration, on a date separately determined by the Board of Directors of the Company.

(12) Treatment of Stock Acquisition Rights upon Organization Restructuring Actions

In case that the Company carries out a corporate merger (limited to the case where the Company becomes a disappearing company as a result of the corporate merger), an absorption-type company split or an incorporation-type company split (limited to the case where the Company becomes a split company, respectively), or a share exchange or a share transfer (limited to the case where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter referred to collectively as "Restructuring Actions"), stock acquisition rights of the stock companies listed in (a) to (e) of Article 236, Paragraph 1, Item 8 of the Companies Act (hereinafter referred to as the "Restructuring Company") shall be delivered, in each of the above cases, to holders of the stock acquisition rights remaining immediately before the effective date of Restructuring Actions (for an absorption-type merger, the effective date on which the absorption-type merger takes effect; for a consolidation-type merger, the date of incorporation of the stock company incorporated in the consolidation-type merger; for an absorption-type company split, the effective date on which the absorption-type company split takes effect; for an incorporation-type company split; the date of incorporation of the stock company incorporated in the incorporation-type split; for a share exchange, the effective date on which the share exchange takes effect; for a share transfer, the date of incorporation of the wholly owning parent company incorporated in the share transfer, the same applies hereinafter) (hereinafter referred to as "Remaining Stock Acquisition Rights"). However, the foregoing shall be on the condition that delivery of stock acquisition rights of the Restructuring Company in accordance with each of the following conditions is set forth in an absorption-type merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan.

(a) Number of stock acquisition rights of the Restructuring Company to be delivered
The same number of stock acquisition rights as the number of the Remaining Stock Acquisition Rights held by a holder of the stock acquisition rights shall be delivered to that holder.

(b) Class of shares of the Restructuring Company subject to stock acquisition rights
The class of shares of the Restructuring Company subject to stock acquisition rights shall be shares of common stock of the Restructuring Company.

(c) Number of shares of the Restructuring Company subject to stock acquisition rights

The number of shares of the Restructuring Company subject to stock acquisition rights shall be determined in accordance with (4) above, based on the consideration of conditions for Restructuring Actions and other factors.

(d) Value of property to be contributed upon exercise of stock acquisition rights
The value of property to be contributed upon the exercise of each stock acquisition right to be delivered shall be the value obtained by multiplying the exercise price after restructuring actions as set forth below by the number of shares of the Restructuring Company subject to stock acquisition rights to be determined in accordance with (c) above. The exercise price after restructuring actions shall be one (1) yen per share of the Restructuring Company that can be delivered by exercising each stock acquisition right to be delivered.

(e) Period during which stock acquisition rights may be exercised
The period during which stock acquisition rights may be exercised shall be from the commencement date of the exercise period during which stock acquisition rights may be exercised as set forth in (7) above, or the effective date of the Restructuring Actions, whichever is later, to the expiration date of the exercise period during which stock acquisition rights may be exercised as set forth in (7) above.

(f) Matters regarding the stated capital and capital reserves to be increased due to the issuance of shares upon exercise of stock acquisition rights
The matters regarding the stated capital and capital reserves to be increased due to the issuance of shares upon exercise of stock acquisition rights shall be determined in accordance with (8) above.

(g) Restrictions on the acquisition of stock acquisition rights by means of transfer
Acquisition of stock acquisition rights by means of transfer shall require approval of the Board of Directors of the Restructuring Company

(h) Conditions for the exercise of stock acquisition rights
The conditions for the exercise of stock acquisition rights shall be determined in accordance with (10) above.

(i) Matters regarding the acquisition of stock acquisition rights
The matters regarding the acquisition of stock acquisition rights shall be determined in accordance with (11) above.

(13) Handling of Certificates for Stock Acquisition Rights when They are Issued
Certificates for stock acquisition rights shall not be issued by the Company.

(14) Handling of any Fraction Less Than One Share to be Delivered
In the case that the number of shares to be delivered to a holder of the stock acquisition rights who has exercised stock acquisition rights includes any fraction less than one share, such fraction shall be rounded down.