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Securities code: 9031

June 6, 2024

Date of commencement of electronic provision measures: May 23, 2024

To Shareholders with Voting Rights:

Koichi Hayashida
President and CEO
Nishi-Nippon Railroad Co., Ltd.
3-5-7 Hakataekimae, Hakata Ward,
Fukuoka City

**NOTICE OF
THE 184th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 184th Annual General Meeting of Shareholders of Nishi-Nippon Railroad Co., Ltd. (the “Company”) will be held as described below.

When convening this General Meeting of Shareholders, the Company has taken electronic provision measures to provide the information contained in the Reference Documents for the General Meeting of Shareholders (the “matters subject to the electronic provision measures”) in electronic format and has posted this information on the following websites on the Internet. Please access either of the websites to review the information.

The Company’s website: <https://www.nishitetsu.co.jp/en/ir/stock/meeting.html>

The Tokyo Stock Exchange (TSE) website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

To view the information, please access the above website, input the issue name (company name) or securities code, click “Search,” then click “Basic information,” and select “Documents for public inspection/PR information.”

If you are not attending the meeting in person, you may exercise your voting rights in writing or via the Internet in advance. Please review the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights by 6:00 p.m. on Wednesday, June 26, 2024, Japan time.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan time
(The reception desk will open at 9:00 a.m.)
- 2. Place:** 8F Saiun-no-ma, Solaria Nishitetsu Hotel Fukuoka,
2-2-43, Tenjin, Chuo Ward, Fukuoka City

3. Meeting Agenda:

Matters to be reported: The Business Report, Non-Consolidated Financial Statements, Consolidated Financial Statements for the Company's 184th Fiscal Year (April 1, 2023 - March 31, 2024), and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Five (5) Directors who are not Audit & Supervisory Committee Members
- Proposal 3:** Election of Five (5) Directors who are Audit & Supervisory Committee Members
- Proposal 4:** Allotment of Share Options Without Contribution for the Countermeasure Policy Against Large-Scale Acquisitions of Company Shares

- Among the matters subject to the electronic provision measures, the following matters are not presented in the documents provided to shareholders who have requested the delivery of documents in accordance with the provisions of laws and regulations and Article 18, Paragraph (2) of the Articles of Incorporation of the Company. These matters are included in the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Committee and the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by Accounting Auditor.
- The Business Report
 - Particulars Regarding the Company's Share Options, etc.
 - The System to Ensure the Appropriateness of the Company's Business and the Status of Operation of Such System
 - Basic Policies Regarding the Way a Person is to Control the Determination of Financial and Business Policies of the Company
 - Consolidated Financial Statements
 - Consolidated Statement of Changes in Equity
 - Notes to the Consolidated Financial Statements
 - Non-Consolidated Financial Statements
 - Non-Consolidated Statement of Changes in Equity
 - Notes to the Non-Consolidated Financial Statements
- If any amendments are made to matters subject to the electronic provision measures, such amendments will be posted on the websites of the Company and TSE.
- We may limit the number of questions from shareholders to conduct the proceedings smoothly.
- The video of the briefing of matters to be reported in the General Meeting of Shareholders will be distributed on the Company's website at a later date.

Guide to Exercise Your Voting Rights

If you are attending the meeting:

Date and Time of the Meeting: Thursday, June 27, 2024, at 10:00 a.m. Japan time

(The reception desk will open at 9:00 a.m.)

Please bring the enclosed Voting Rights Exercise Form and submit it at the reception desk.

- If you exercise your voting rights by proxy, the proxy needs to be another shareholder with voting rights. The proxy will be required to present written proof of their power of attorney.

If you are unable to attend the meeting:

Voting by postal mail

Voting Deadline: Arrival by 6:00 p.m. on Wednesday, June 26, 2024, Japan time

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it to the Company so that it arrives by the voting deadline.

- If there is no indication for approval or disapproval of a proposal in the Voting Rights Exercise Form, it shall be deemed as an intention of approval.

Voting via the Internet

Voting Deadline: Entry by 6:00 p.m. on Wednesday, June 26, 2024, Japan time

Please enter your approval or disapproval of the proposals on the website for voting designated by the Company.

- If you exercise your voting rights both in writing and via the Internet, the voting rights exercised via the Internet shall be deemed valid.
- If you exercise your voting rights more than once via the Internet, the last vote shall be deemed valid.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

With regards to the Company's appropriation of surplus, the basic policy is to constantly pay stable dividends while taking into consideration the increase of internal reserves that are required for developing our future business and enhancing the business structure.

Based on such views, we would like to set the year-end dividend for the fiscal year ended March 31, 2024, at ¥22.50 per share consisting of a commemorative dividend of ¥5 for the 100th anniversary of the opening of our railway in addition to an ordinary dividend of ¥17.50 considering the operational results of the fiscal year under review. Therefore, the annual dividend will be ¥40 per share together with the interim dividend of ¥17.50.

1. Matters concerning year-end dividends

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and the total amount

¥22.50 per share of the Company's common stock

Total amount: ¥1,779,657,817

(3) Effective date of dividends of surplus

June 28, 2024

2. Other matters concerning the appropriation of surplus

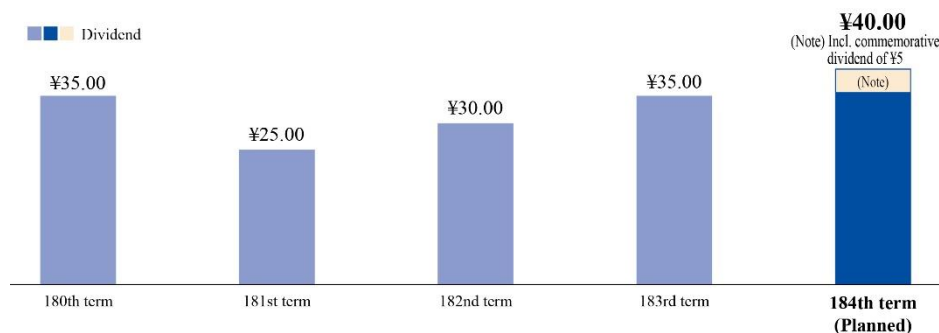
(1) Item of surplus to decrease and its amount

Retained earnings brought forward: ¥17,000,000,000

(2) Item of surplus to increase and its amount

General reserve: ¥17,000,000,000

(Reference) Changes in annual dividends per share



Proposal 2: Election of Five (5) Directors who are not Audit & Supervisory Committee Members

Upon the close of this General Meeting of Shareholders, the terms of office of all five (5) Directors who are not Audit & Supervisory Committee members will expire. Accordingly, shareholders are requested to elect five (5) Directors who are not Audit & Supervisory Committee members.


This proposal has been deliberated on by the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors, and decided on by the Board of Directors.

This proposal has also been reviewed by the Audit & Supervisory Committee, and no special opinions were expressed.

The candidates for the position of Director who is not an Audit & Supervisory Committee member are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings in FY2023
1	Sumio Kuratomi [Reappointment]	Representative Director and Chairman Chairman of the Board	100%
2	Koichi Hayashida [Reappointment]	President and CEO Operations in general; Audit Department	100%
3	Koichiro Toda [Reappointment]	Representative Director, Executive Vice President Assistant to President (Operations in general); Safety Relief Promotion Department and Personnel Affairs Department	100%
4	Satoru Matsufuji [Reappointment]	Director of the Board, Managing Executive Officer Railway Transportation Business Division; Director of Railway Transportation Business Division	100%
5	Kikuyo Tsuno [Reappointment] [Outside] [Independent]	Director of the Board	100% (Note)


(Note) Ms. Kikuyo Tsuno was elected as a Director of the Board at the 183rd Annual General Meeting of Shareholders held on June 29, 2023, and assumed the office on the same day. Her attendance is for the Board of Directors meetings held from that date.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Sumio Kuratomi (August 13, 1953)</p> <p>[Reappointment]</p> 	<p>[Career summary and positions]</p> <p>April 1978 Joined the Company</p> <p>June 2008 Director of the Board, Executive Officer</p> <p>June 2011 Director of the Board, Managing Executive Officer</p> <p>June 2013 Representative Director and President</p> <p>June 2016 President and CEO</p> <p>April 2021 Representative Director and Chairman (present position)</p> <p>[Responsibilities]</p> <p>Chairman of the Board</p> <p>[Significant concurrent positions]</p> <p>Chairman, Kyushu Economic Federation</p> <p>Outside Director, Kyudenko Corporation</p> <p>Outside Director, The Torigoe Co., Ltd.</p> <p>Outside Director, The Bank of Fukuoka, Ltd.</p>	14,200
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Sumio Kuratomi has been involved in management of the Company for 16 years since he assumed the position of Director of the Board, Executive Officer in June 2008. As such, he has abundant experience and insight into corporate management.</p> <p>While assuming the positions of Representative Director and President in June 2013 and then Representative Director and Chairman in April 2021 (to the present), he has taken on management responsibility of the Company. Since April 2021, he has also overseen the Company's management in general in his capacity as Chairman of the Board.</p> <p>We believe that, based on his abundant experience and insight, Mr. Sumio Kuratomi is capable of strengthening the monitoring and decision-making functions of the Board of Directors as he properly conducts proceedings of the Board of Directors meetings in his capacity as the Chairman of the Board. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			


(Note) There is no special interest between Mr. Sumio Kuratomi and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Koichi Hayashida (September 5, 1965) [Reappointment] 	[Career summary and positions] April 1988 Joined the Company June 2016 Executive Officer April 2018 Senior Executive Officer June 2018 Director of the Board, Senior Executive Officer April 2020 Director of the Board, Senior Managing Executive Officer April 2021 President and CEO (present position) [Responsibilities] Operations in general; Audit Department [Significant concurrent positions] Outside Director, RKB Mainichi Holdings Corporation	10,100
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Koichi Hayashida has been involved in management of the Company for six (6) years since he assumed the position of Director of the Board in June 2018. As such, he has abundant experience and insight into corporate management. Since assuming the position of President and CEO in April 2021, Mr. Koichi Hayashida has been overseeing the Company's operations in general.</p> <p>We believe that, in his capacity as President and CEO, he is capable of addressing the business environment, which has changed significantly after the COVID-19 pandemic, with such abundant experience and insight, while at the same time properly directing large projects, including the ongoing Fukuoka Building Block Development Project, thus realizing sustainable growth and enhancement of corporate value of the Group over the medium- to long-term. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			


(Note) There is no special interest between Mr. Koichi Hayashida and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Koichiro Toda (January 22, 1963) [Reappointment] 	[Career summary and positions] April 1986 Joined the Company June 2016 Executive Officer April 2018 Senior Executive Officer June 2018 Director of the Board, Senior Executive Officer April 2020 Director of the Board, Senior Managing Executive Officer June 2020 Senior Managing Executive Officer April 2021 Executive Vice President June 2021 Representative Director, Executive Vice President (present position) [Responsibilities] Assistant to President (Operations in general); Safety Relief Promotion Department and Affairs Department	9,100
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Koichiro Toda has been involved in management of the Company for two (2) years since he assumed the positions of Director of the Board in June 2018 and Representative Director in June 2021. As such, he has abundant experience and insight into corporate management.</p> <p>In April 2021, Mr. Koichiro Toda assumed the role of Executive Vice President, assisting the President and CEO in the Company's operations in general, and is currently in charge of the Safety Relief Promotion Department and Affairs Department.</p> <p>We believe that, with his abundant experience and insight, Mr. Koichiro Toda is capable of strengthening the monitoring and decision-making functions of the Board of Directors and contributing to the sustainable growth of the Group and to the enhancement of corporate value over the medium- to long-term by continuously assisting the President and CEO, who leads the Transportation and Urban Development Business and the Global Business, in his capacity as Executive Vice President. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			

(Note) There is no special interest between Mr. Koichiro Toda and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Satoru Matsufuji (September 5, 1964)</p> <p>[Reappointment]</p> 	<p>[Career summary and positions]</p> <p>April 1987 Joined the Company</p> <p>July 2012 Representative Director and President of Nishitetsu Station Service Co., Ltd.</p> <p>July 2015 Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department, the Company</p> <p>April 2018 Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department</p> <p>June 2020 Director of the Board, Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department</p> <p>April 2021 Director of the Board, Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Planning Department</p> <p>April 2023 Director of the Board, Managing Executive Officer (present position)</p> <p>[Responsibilities] Railway Transportation Business Division; Director of Railway Transportation Business Division</p> <p>[Significant concurrent positions] Outside Director, Fuji P.S Corporation</p>	4,000
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Satoru Matsufuji joined the Company in 1987 and has since been engaged in the railway transportation business. He is currently a Managing Executive Officer in charge of the Railway Transportation Business Division where he has garnered abundant work experience and impressive accomplishments in the railway transportation business.</p> <p>We believe that, based on this work experience and insight, Mr. Satoru Matsufuji is capable of strengthening the monitoring and decision-making functions of the Board of Directors, overseeing the railway transportation business, and contributing to the sustainable growth of the Group and to the enhancement of corporate value over the medium- to long-term as a management executive for the sake of the safety assurance of transportation services by reflecting his perspectives as the safety manager of the railway transportation business. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			

(Note) There is no special interest between Mr. Satoru Matsufuji and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="231 309 406 380">Kikuyo Tsuno (June 6, 1965)</p> <p data-bbox="223 421 414 526">[Reappointment] [Outside] [Independent]</p> 	<p data-bbox="470 275 837 302">[Career summary and positions]</p> <p data-bbox="470 309 1260 432">July 2017 Deputy General Manager of Human Resource Vitalization Division, Business Solution Headquarters; General Manager of Planning Group, Kyushu Electric Power Co., Inc.</p> <p data-bbox="470 439 1244 499">June 2018 General Manager of Corporate Strategy Division (Group organizational strategy)</p> <p data-bbox="470 506 1260 595">July 2020 General Manager of Human Resource Vitalization Division, Business Solution Headquarters (Labor management)</p> <p data-bbox="470 602 1165 663">June 2022 Specially Appointed Audit & Supervisory Committee Member (present position)</p> <p data-bbox="470 669 1260 759">June 2023 Executive Officer; General Manager of Human Resource Vitalization Division, Business Solution Headquarters (present position)</p> <p data-bbox="470 766 1197 826">June 2023 Director of the Board, the Company (present position)</p> <p data-bbox="470 833 853 860">[Significant concurrent positions]</p> <p data-bbox="470 866 1053 893">Executive Officer, Kyushu Electric Power Co., Inc.</p>	600
<p data-bbox="191 925 973 952">[Reason for nomination as candidate for Director and expected roles]</p> <p data-bbox="191 958 1452 1149">Ms. Kikuyo Tsuno currently serves as Executive Officer, General Manager of Human Resource Vitalization Division, Business Solution Headquarters at Kyushu Electric Power Co., Inc., and has gained abundant experience and insight into human resources, labor management, and corporate planning through her work there. She has also provided valuable opinions in her capacity as the Company's Outside Director who is not an Audit & Supervisory Committee member since June 2023 based on her experience and insight.</p> <p data-bbox="191 1155 1436 1373">In our Company, which strives to strengthen its human resources to support sustainable growth, we expect her to improve discussions at Board of Directors meetings and other occasions by offering valuable opinions based on her experience and insight. As an Outside Director with no conflict of interest with the Company, we believe that she will be able to strengthen the supervisory and decision-making functions of the Board of Directors. Accordingly, we propose her reappointment as an Outside Director who is not an Audit & Supervisory Committee member.</p>			

(Notes)

1. Ms. Kikuyo Tsuno is currently an Outside Director who is not an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, she will have served for one (1) year as an Outside Director of the Company.
2. The Company has transactions with Kyushu Electric Power Co., Inc. in the form of payment for electricity charges and otherwise, but its amount constitutes less than 1% of annual consolidated sales for each company, which conforms to the below-mentioned criteria for the independence of Outside Directors.
3. The Company has registered Ms. Kikuyo Tsuno as an Independent Officer with the TSE and FSE.
4. The Company has concluded a contract with Ms. Kikuyo Tsuno, which limits her liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations.

[Matters concerning directors and officers liability insurance contracts for each candidate]

The Company has concluded a liability insurance contract for directors and officers as stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company to insure its directors and executive officers. The insurance policy covers compensation for damages to be borne by the insured due to claims for damages arising from acts (including omissions) of the insured in connection with their duties as a director or executive officer of the Company. However, to ensure that the proper execution of duties is not compromised, there are certain exclusions of liability, such as not covering damages caused by illegal or criminal acts by the insured. If each candidate is appointed to the position of Director who is not an Audit & Supervisory Committee member, each candidate will be included as the insured under this insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.

Proposal 3: Election of Five (5) Directors who are Audit & Supervisory Committee Members


Upon the close of this General Meeting of Shareholders, the terms of office of all six (6) Directors who are Audit & Supervisory Committee members will expire. Accordingly, shareholders are requested to elect five (5) Directors who are Audit & Supervisory Committee members.

This proposal has been deliberated on by the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors, and decided on by the Board of Directors.


This proposal has already obtained the consent of the Audit & Supervisory Committee.

The candidates for the position of Director who is an Audit & Supervisory Committee member are as follows:

No.	Name	Current positions and responsibilities at the Company	FY2023	
			Attendance at the Board of Directors meeting	Attendance at the Audit & Supervisory Committee
1	Tetsuya Nagasao [New appointment]	Senior Managing Executive Officer	–	–
2	Toru Kawaharabata [New appointment] [Outside] [Independent]	–	–	–
3	Takashige Shibato [Reappointment] [Outside]	Director of the Board, Audit & Supervisory Committee member	93.8%	100%
4	Madoka Kitamura [Reappointment] [Outside] [Independent]	Director of the Board, Audit & Supervisory Committee member	100%	100%
5	Kyoko Matsuoka [Reappointment] [Outside] [Independent]	Director of the Board, Audit & Supervisory Committee member	100%	100%


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Tetsuya Nagasao (August 1, 1962)</p> <p>[New appointment]</p> 	<p>[Career summary and positions]</p> <p>April 1986 Joined the Company</p> <p>July 2001 Manager of Sales Section, Distribution and Leisure Business Department, Urban Development Business Division</p> <p>June 2007 General Manager of Project Planning & Development Department, Urban Development Business Division</p> <p>July 2010 General Manager of Distribution and Leisure Business Department, Urban Development Business Division</p> <p>July 2012 General Manager of Public Relations Office</p> <p>July 2015 General Manager of General Affairs and Public Relations Department</p> <p>June 2016 Executive Officer, Deputy Director of Business Creation Division and General Manager of Business Development Department</p> <p>February 2017 Representative Director and Senior Managing Director, Fukuoka Airport Holdings Co., Ltd.</p> <p>April 2018 Senior Group Director, the Company</p> <p>July 2018 Representative Director and President & CEO, Fukuoka International Airport Co., Ltd.</p> <p>April 2020 Senior Managing Executive Officer, the Company (present position)</p>	4,700
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Tetsuya Nagasao joined the Company in 1986 and has since been engaged mainly in the urban development business, general affairs, and public relations. He is currently the Senior Managing Executive Officer of the Company and Representative Director and President & CEO of Fukuoka International Airport Co., Ltd., and has garnered abundant work experience and impressive accomplishments in the Company as well as experience as a corporate manager of an airport management company.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company if he uses his experience and insight as a full-time Director who is an Audit & Supervisory Committee member. Accordingly, we propose his appointment as Director who is an Audit & Supervisory Committee member.</p>			

(Note) There is no special interest between Mr. Tetsuya Nagasao and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Toru Kawaharabata (August 3, 1966)</p> <p>[New appointment] [Outside] [Independent]</p> 	<p>[Career summary and positions]</p> <p>April 1990 Joined the Ministry of Transport (present Ministry of Land, Infrastructure, Transport and Tourism (MLIT))</p> <p>August 2004 Deputy General Manager, Corporate Planning Department, General Planning Division, Japan Freight Railway Company</p> <p>April 2011 Director-General, Planning and Tourism Department, Kyushu District Transport Bureau, MLIT</p> <p>September 2012 Director, Port Management and Operation Division, Ports and Harbours Bureau</p> <p>July 2014 Director, Air Navigation Services Planning Division, Air Navigation Services Department, Civil Aviation Bureau</p> <p>July 2016 Executive Director, National Agency for Automobile and Land Transport Technology</p> <p>July 2018 Director, General Affairs Division, Road Transport Bureau, MLIT</p> <p>July 2019 Director-General, Air Navigation Services Department, Civil Aviation Bureau</p> <p>July 2020 Director-General, Chugoku District Transport Bureau</p> <p>July 2021 Director-General, Kyushu District Transport Bureau</p> <p>December 2022 Advisor, Nippon Life Insurance Company (present position)</p>	0
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Toru Kawaharabata worked for MLIT and thus possesses abundant knowledge and professional experience in the railway business and the bus business, which are the core business fields of the Company, as well as aviation and logistics.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company by, for example, ensuring that business is executed vigilantly by the management if, as a full-time Outside Director who is an Audit & Supervisory Committee member and who does not have any conflict of interest with the Company, he uses his experience and insight. Accordingly, we propose his appointment as Director who is an Audit & Supervisory Committee member.</p>			


(Note)

1. There is no special interest between Mr. Toru Kawaharabata and the Company.
2. The Company will register Mr. Toru Kawaharabata as an Independent Officer with the TSE and FSE.
3. Mr. Toru Kawaharabata is scheduled to resign as an Advisor of Nippon Life Insurance Company on June 26, 2024.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Takashige Shibato (March 13, 1954)</p> <p>[Reappointment] [Outside]</p> 	<p>[Career summary and positions]</p> <p>June 2003 Director of The Bank of Fukuoka, Ltd. (BOF)</p> <p>April 2005 Managing Director</p> <p>April 2007 Senior Managing Executive Officer, Member of the Board</p> <p>April 2007 Director of Fukuoka Financial Group, Inc. (FFG)</p> <p>April 2010 Representative Director & Deputy President, BOF</p> <p>April 2012 Representative Director & Deputy President, FFG</p> <p>June 2014 Representative Director and President</p> <p>June 2014 Representative Director and President, BOF</p> <p>April 2019 Representative Director and Chairman & President, FFG</p> <p>April 2019 Representative Director and Chairman & President, BOF</p> <p>June 2020 Director of the Board, Audit & Supervisory Committee member, the Company (present position)</p> <p>April 2022 Representative Director and Chairman, FFG (present position)</p> <p>April 2022 Representative Director and Chairman, BOF (present position)</p> <p>[Significant concurrent positions]</p> <p>Representative Director and Chairman, FFG</p> <p>Representative Director and Chairman, BOF</p> <p>Outside Director, Daiichi Koutsu Sangyo Co., Ltd.</p> <p>Outside Director, RKB Mainichi Holdings Corporation</p>	1,301
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Takashige Shibato holds concurrent positions as Representative Director and Chairman at FFG and BOF and thus possesses abundant experience and knowledge in the realm of corporate management. Through such work experience, he has gained considerable insight in the areas of finance and accounting. He has also taken on audit in his capacity as the Company's Outside Director who is an Audit & Supervisory Committee member since June 2020, based on the experience and knowledge and provided valuable opinions in the Board of Directors meetings and the Audit & Supervisory Committee.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company and enhance the effectiveness of the Board of Directors if, as an Outside Director who is an Audit & Supervisory Committee member, he uses his insight to conduct valuable auditing and taps into his experience and knowledge to improve discussions at Board of Directors meetings and other occasions. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.</p>			


(Notes)

1. Mr. Takashige Shibato is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, he will have served for four (4) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. The Company has transactions with BOF, where Mr. Takashige Shibato serves as Representative Director and Chairman, in the form of fund borrowing and otherwise.
3. The Company has concluded a contract with Mr. Takashige Shibato, which limits his liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Madoka Kitamura (May 24, 1957)</p> <p>[Reappointment] [Outside] [Independent]</p> 	<p>[Career summary and positions]</p> <p>June 2006 Executive Officer, TOTO KIKI LTD. (present TOTO LTD.)</p> <p>April 2011 Managing Executive Officer</p> <p>June 2011 Director, Managing Executive Officer</p> <p>June 2013 Director, Senior Managing Executive Officer</p> <p>April 2014 President, Representative Director</p> <p>April 2020 Representative Director, Chairman of the Board (present position)</p> <p>June 2020 Director of the Board, Audit & Supervisory Committee member, the Company (present position)</p> <p>[Significant concurrent positions] Representative Director, Chairman of the Board, TOTO LTD.</p>	1,000
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Madoka Kitamura holds the position of Representative Director, Chairman of the Board, TOTO LTD. and thus possesses abundant experience and knowledge as a senior executive of a global company. Through such work experience, he has gained considerable insight into finance and accounting.</p> <p>He has also taken on audit in his capacity as the Company's Outside Director who is an Audit & Supervisory Committee member since June 2020, based on the experience and knowledge and provided valuable opinions in the Board of Directors meetings and the Audit & Supervisory Committee.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company and enhance the effectiveness of the Board of Directors if, as an Outside Director who is an Audit & Supervisory Committee member and who does not have any conflict of interest with the Company, he uses his insight to conduct valuable auditing and taps into his experience and knowledge to improve discussions at Board of Directors meetings and other occasions. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.</p>			

(Notes)

1. Mr. Madoka Kitamura is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, he will have served for four (4) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. The Company has transactions with TOTO LTD. in the form of receipt of freight handling fees and otherwise, but its amount constitutes less than 1% of annual consolidated sales for each company, which conforms to the below-mentioned criteria for the independence of Outside Directors.
3. The Company has registered Mr. Madoka Kitamura as an Independent Officer with the TSE and FSE.
4. The Company has concluded a contract with Mr. Madoka Kitamura, which limits his liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Kyoko Matsuoka (September 14, 1964) [Reappointment] [Outside] [Independent] 	[Career summary and positions] December 1993 Representative Director, Matsuoka One Architects (present Spinglass Architects) (present position) April 2007 Associate Professor, Department of Architecture, School of Science and Technology for Future Life, Tokyo Denki University October 2012 President, NPO Fukuoka Architecture Foundation (present position) November 2016 Representative Director and President, Daio Co., Ltd. (present position) June 2020 Representative Director, Community Design in City Center (present position) June 2020 Director of the Board, the Company June 2022 Director of the Board, Audit & Supervisory Committee member (present position) [Significant concurrent positions] Representative Director and President, Daio Co., Ltd.	200
[Reason for nomination as candidate for Director and expected roles] Ms. Kyoko Matsuoka has long been involved in city design as an architect, mainly in Fukuoka, and served as Representative Director and President, Daio Co., Ltd., thus earning experience and knowledge in corporate management. She has also provided valuable opinions in her capacity as the Company's Director who is not an Audit & Supervisory Committee member since June 2020, and Director who is an Audit & Supervisory Committee member since June 2022, based on her experience and knowledge. We believe that we can expect to strengthen the monitoring of the Company and decision-making functions of the Board of Directors, if, as an Outside Director who is an Audit & Supervisory Committee member and who does not have any conflict of interest with the Company, she uses her expert knowledge and experience to add perspectives to our Board of Directors and provides the Company with useful opinions on urban development to enhance discussions in the Board of Directors and other meetings and perform effective audit utilizing her knowledge. Accordingly, we propose her reappointment as Director who is an Audit & Supervisory Committee member.			

(Notes)

1. Ms. Kyoko Matsuoka is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, she will have served for four (4) years as an Outside Director and for two (2) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. There is no special interest between Ms. Kyoko Matsuoka and the Company.
3. The Company has registered Ms. Kyoko Matsuoka as an Independent Officer with the TSE and FSE.
4. The Company has concluded a contract with Ms. Kyoko Matsuoka, which limits her liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with her.

[Matters concerning directors and officers liability insurance contracts for each candidate]

The Company has concluded a liability insurance contract for directors and officers as stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company to insure its directors and executive officers. The insurance policy covers compensation for damages to be borne by the insured due to claims for damages arising from acts (including omissions) of the insured in connection with their duties as a director or executive officer of the Company. However, to ensure that the proper execution of duties is not compromised, there are certain exclusions of liability, such as not covering damages caused by illegal or criminal acts by the insured. If each candidate is appointed to the position of Director who is not an Audit & Supervisory Committee member, each candidate will be included as the insured under this insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.

(Reference) Skills Matrix

Regarding skills to be possessed in light of business characteristics and management strategy, the Board of Directors of the Company identified “skills to be possessed by the Board of Directors” and listed them on a skills matrix as follows according to a long-term vision of “CYD Vision 2035” and critical strategies in the medium-term management plan.

The Company has introduced an executive officer system, and the skills required in each business field of the entire Group shall be prepared by the entire Group, including executive officers in charge. Each executive officer in charge attends the Board of Directors meetings and supports the Board of Directors’ decision-making to strengthen the functions of the Board of Directors.

The following composition of the Board of Directors is prepared on the precondition that Proposal 2, “Election of Five (5) Directors who are not Audit & Supervisory Committee Members,” and Proposal 3, “Election of Five (5) Directors who are Audit & Supervisory Committee Members” are all approved as originally proposed.

Name	Position, etc. in the Company		Skills to be possessed by the Board of Directors in light of business characteristics and management strategy										
			Corporate management	Human resources, labor management	Finance, accounting	IT, digital	Global	Sustainability, local contribution	Internal control, safety	Mobility	Real estate, urban development	Logistics	
Sumio Kuratomi	Representative Director and Chairman		•		•	•			•	•		•	
Koichi Hayashida	President and CEO		•			•	•	•	•			•	
Koichiro Toda	Representative Director, Executive Vice President		•	•					•	•	•		
Satoru Matsufuji	Director of the Board, Managing Executive Officer									•	•		
Kikuyo Tsuno	Director of the Board	Outside Independent	•	•					•	•			
Tetsuya Nagasao	Director of the Board, Audit & Supervisory Committee member		•					•	•	•		•	
Toru Kawaharabata	Director of the Board, Audit & Supervisory Committee member	Outside Independent	•						•	•	•	•	•

Name	Position, etc. in the Company		Skills to be possessed by the Board of Directors in light of business characteristics and management strategy											
			Corporate management	Human resources, labor management	Finance, accounting	IT, digital	Global	Sustainability, local contribution	Internal control, safety	Mobility	Real estate, urban development	Logistics		
Takashige Shibato	Director of the Board, Audit & Supervisory Committee member	Outside	•		•			•	•	•				
Madoka Kitamura	Director of the Board, Audit & Supervisory Committee member	Outside Independent	•		•			•	•	•				
Kyoko Matsuoka	Director of the Board, Audit & Supervisory Committee member	Outside Independent	•			•		•	•	•			•	

(Reference) Criteria for the Independence of Outside Directors

The Company considers Outside Directors as independent if none of the following criteria applies to the respective Outside Director.

1. A person for whom the Company or any of its subsidiaries (hereinafter collectively the “Company Group”) is a major client*¹ or their executors of business*²
2. A person who is a major client of the Company Group*³ or their executors of business
3. A regular employee, partner, or staff member of the auditing firm that is the accounting auditor of the Company Group
4. A consultant, accounting expert, or legal expert who has received cash or other economic benefit in excess of an average of 10 million yen per annum over the past three (3) years from the Company Group aside from the officer's remuneration
5. A person who is a major shareholder of the Company*⁴ or their executors of business
6. A person who executes business for a firm of which the Company Group is a major shareholder
7. A person who executes business for a firm that is a major lender to the Company Group*⁵
8. A director, company auditor, accounting advisor, operating officer, or executive officer of a firm that accepts a Director (full-time or otherwise) from the Company Group, or any of those of a parent company or subsidiary of such firm
9. A person who executes business for an organization that receives donations or other assistance in excess of an average of 10 million yen per annum or 30% of its average annual total expenses over the past three business years, whichever is the higher amount, from the Company Group
10. A person to whom any of the aforementioned criteria 1-6 has applied within the past five (5) years
11. A person who is a spouse or other relation within the second degree of kinship to a person to whom any of the following applies
 - 1) A person to whom any of the aforementioned criteria 1-7 applies and who holds an important position*⁶
 - 2) A person who executes business for the Company Group or a Director of the Company Group who does not execute business
12. A person whose total term of office at the Company exceeds eight (8) years

- Notes:
1. “A person for whom the Company Group is a major client” refers to a person (or firm) who received payment from the Company Group in the most recent business year which accounted for either 2% or more of consolidated sales for the year for that person (or firm).
 2. “An executor of business” refers to an executive director, executive officer, employee who executes business, director or other similar official, or employee.
 3. “A person who is a major client of the Company Group” refers to a person (or firm) who made payment to the Company Group in its most recent business year which accounted for 2% or more of the Company Group's consolidated sales for the year.
 4. “A major shareholder” refers to a shareholder who holds 10% or more of the voting rights.
 5. “A major lender” refers to a financial institution from which the Company Group's borrowings accounted for 10% or more of the Company Group's total balance of borrowings on a consolidated basis at the end of the most recent business year.
 6. “A person who holds an important position” refers to a person serving in the position of General Manager or higher within a company, or in the case of an auditing firm or law office, the position of accountant or attorney at such firms and offices.

Proposal 4: Allotment of Share Options Without Contribution for the Countermeasure Policy Against Large-Scale Acquisitions of Company Shares

The Company renewed the countermeasure policy against large-scale acquisitions of Company shares (the “Former Plan”), based on the resolution of the Board of Directors on May 20, 2021, and the approval at the Company’s 181st Annual General Meeting of Shareholders on June 29 of the same year. The Former Plan will expire at the close of this 184th Annual General Meeting of Shareholders.

Prior to the expiration of the effective period of the Former Plan, the Company, at the Board of Directors meeting held on May 10, 2024, discussed the pros and cons of renewing the Former Plan in light of recent trends in corporate takeover practices and court decisions on countermeasures against takeovers (collectively the “Practical Trends, etc.”). As a result, the Company concluded that the current legal system is not adequately equipped to appropriately address coercive acquisitions and that there is still a need, in the event of an acquisition without consent, to ensure that shareholders are provided with the time and information to consider the matter. Thus, subject to the approval of the shareholders (through ordinary resolution) at this General Meeting of Shareholders, the Company has decided to partially revise the content of the Former Plan and renew it (the “Renewal,” and the plan after the renewal, the “Plan”) in light of the basic policies regarding the way a person is to control the determination of financial and business policies of the Company (the “Basic Policies,” which refers to the policies specified in Article 118, Item (3) of the Regulations for Enforcement of the Companies Act) as an initiative to prevent the decision of financial and business policies of the Company from being controlled by any inappropriate person (Article 118, Item (3) (b) (2) of the Regulations for Enforcement of the Companies Act). If the approval of the shareholders is obtained at this General Meeting of Shareholder, the Plan shall remain in effect until the conclusion of the Company’s 187th Annual General Meeting of Shareholders scheduled to be held in June 2027.

Therefore, in accordance with Article 5 of the Articles of Incorporation, the Company requests approval to delegate authority to the Board of Directors to make decisions on matters concerning the allotment of share options without contribution pursuant to the procedures mentioned in 2. “Content of the Proposal” below for use in the Plan.

1. Reasons for the Proposal

(1) Basic Policies of the Company

The Company believes that a person who is to control the determination of its financial and business policies should understand the source of its corporate value and be able to ensure and improve the corporate value and the common interest of its shareholders in a continuing, sustainable manner.

In the event that a large-scale purchase of Company shares is pursued, the Company will not categorically reject the purchase if it would contribute to its corporate value and the common interests of its shareholders. The Company believes the decision on a purchase proposal involving the transfer of corporate control should ultimately be made based on the intent of shareholders as a whole.

However, among large-scale share purchases, there are many that would not contribute to the corporate value or common interest of shareholders of the subject company, including those that could cause a clear infringement on the corporate value and the common interest of shareholders in the light of their purpose, etc., those that amount to a de facto coercion against the shareholders to sell their shares, those that do not provide sufficient time or information for the subject company’s board of directors and its shareholders to consider the content, etc. of the large-scale purchase of shares or for the board of directors to present an alternative proposal, and those that require the subject company to negotiate with the acquirer to draw out a more favorable condition than the conditions presented from the acquirer.

The Company Group encompasses a wide range of businesses, including real estate, distribution, logistics, and leisure and service, based on its broad transportation network comprising railway, bus, and other services. With this advantage, the Company aims to maintain and expand the number of passengers in the railway and bus businesses, which are at the core of its operations, and to improve overall profitability by diversifying its businesses. To this end, it is important to enhance the attractiveness and value of railway lines and bus routes (lineside value) through the development and operation of commercial facilities, expansion of retail businesses,

development of detached houses and condominiums, and other services along such transportation lines. Businesses of a highly public nature, such as the railway and bus businesses, have limits in terms of pursuing profits. Therefore, diversifying highly relevant projects, particularly along the transportation lines, is crucial.

For these reasons, while earning the trust of local communities by developing businesses closely related to the areas, the Company Group has also been striving to enhance lineside value and increase profitability by establishing the Nishitetsu brand. Meanwhile, based on the Nishitetsu brand cultivated through the development of transportation and ancillary services, the Company has been working to create value for the entire Group by flexibly developing businesses outside the areas, such as international logistics and hotel businesses. In this way, it is extremely important for the Company to demonstrate its collective strength as a group through the close ties of each business segment, thereby conducting integrated management.

Unless the purchaser of Company shares understands the sources of the Company's corporate value and is able to secure and enhance them over the medium to long term, the Company's corporate value and the common interests of its shareholders could be damaged. In addition, in order for the Company's shareholders to make the best choice when receiving a proposal for a large-scale purchase from an outside acquirer, it is necessary to determine the impact of the large-scale purchase on the Company's corporate value and the common interests of its shareholders by appropriately identifying the tangible and intangible elements that constitute the corporate value, as well as the acquirer's information such as the acquirer's attributes, the purpose of the large-scale purchase, the Company's management policy after the acquisition, methods for avoiding conflicts of interest with existing shareholders, and policies for dealing with employees and other stakeholders. If a large-scale purchase is forced through without such information being disclosed, the Company's corporate value and the common interests of its shareholders may be damaged.

The Company believes that a large-scale purchaser who would not contribute to its corporate value and the common interest of its shareholders is inappropriate as a person who is to control the determination of its financial and business policies and that it is necessary to secure the Company's corporate value and the common interest of its shareholders by taking necessary and reasonable countermeasures against such attempts.

(2) Purpose of the Plan

The Plan shall be renewed in line with the Basic Policies described in (1) above for the purpose of ensuring and improving the Company's corporate value and the common interests of its shareholders.

The Board of Directors, as set forth in the Basic Policies, deems that a large-scale purchaser of Company share certificates, etc.*¹ (defined in 2. (2) "Procedures for Triggering the Plan" (a) below, and the same shall apply hereinafter) without contributing to the Company's corporate value and the common interests of its shareholders is inappropriate as a person who is to control the determination of financial and business policies of the Company. The Plan is intended primarily to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate and deter large-scale purchases that are detrimental to the Company's corporate value and the common interests of its shareholders; and if a large-scale purchase is pursued, to ensure the necessary time and information for the Company's Board of Directors to present an alternative proposal to the shareholders and for the shareholders to decide whether or not to accept the large-scale purchase, and to enable the Board of Directors to negotiate for the benefit of the shareholders.

2. Content of the Proposal

(1) Overview of the Plan

The Plan sets forth the necessary procedures for achieving 1. (2) "Purpose of the Plan" above, such as demanding prior provision of information from an acquirer when such persons appear with the intent of acquiring 20% or more of the Company share certificates, etc.

If the Board of Directors decides not to trigger the Plan pursuant to the procedures of the Plan, the acquirer may conduct a large-scale purchase of Company share certificates, etc. only after the time of that decision.

In cases such as if the acquirer does not comply with the procedures set forth in the Plan or if the intended large-scale purchase of Company share certificates, etc., has the risk of impairing the Company's corporate value and the common interest of its shareholders, and provided that the predetermined requirements for

triggering the Plan are satisfied, the Company shall implement an allotment of share options without contribution in relation to Company share options with conditions for exercise that the acquirer, etc. would not be allowed to exercise the rights as a general rule and with conditions for acquisition that the share options may be acquired by the Company in exchange for Company shares from anyone other than the acquirer, etc. as well as other reasonable measures that may be taken under laws and regulations and the Articles of Incorporation.

If an allotment of share options without contribution is implemented according to the Plan, and Company shares are delivered to shareholders other than the acquirer upon the exercise of the share options or acquisition of thereof by the Company, the percentage of voting rights held by the acquirer may be diluted to approximately one-half.

In order to eliminate arbitrary decisions by Directors in deciding on the implementation or non-implementation of an allotment of share options without contribution, or acquisition of share options, etc. according to the Plan, the Company has established an Independent Committee consisting solely of Outside Directors, etc. who are independent of the Company's management team so as to make the decision subject to its objective judgment. Additionally, the Board of Directors shall, in principle, convoke a general meeting of shareholders to confirm the intent of shareholders when an allotment of share options without contribution is to be implemented according to the Plan.

The Company ensures transparency in these procedures by appropriately disclosing information to its shareholders.

(2) Procedures for Triggering the Plan

(a) Purchases subject to the Plan

The Plan shall be applied when a purchase of Company share certificates, etc., or any other acquisition that falls under any of 1) to 3) described below or a similar act (including any proposal thereof^{*2}) is pursued (except for those otherwise approved by the Board of Directors to the effect that the Plan shall not be applied; hereinafter a "Purchase").

- 1) A purchase or other acquisition that would result in the ownership ratio^{*3} of share certificates, etc. of a holder^{*4} totaling 20% or more of the share certificates, etc.^{*5} issued by the Company.
- 2) A tender offer^{*6} that would result in the ownership ratio of share certificates, etc.^{*7} of a person conducting the tender offer and the ownership ratio of share certificates, etc. of a specially-related party^{*8} of that person totaling 20% or more of the share certificates, etc. issued by the Company^{*9}.
- 3) The following acts, regardless of whether the acts as prescribed in 1) or 2) above are implemented:
 - (i) an act by a person who intends to acquire Company share certificates, etc., or a joint holder^{*10} or specially-related party of that person (a "Person Acquiring Share Certificates, etc." in 3)) with another shareholder (including the case of more than one shareholder; the same applies hereinafter in 3)) of the Company, and an agreement or other act that would cause another shareholder to fall under the joint holder of the Person Acquiring Share Certificates, etc. as a result of the act; or an act to establish a relationship^{*11} between the Person Acquiring Share Certificates, etc. and another shareholder in which one substantially controls the other or they act in collaboration or cooperation^{*12}; and
 - (ii) an act that would result in the ownership ratio of the share certificates, etc. issued by the Company of the Person Acquiring Share Certificates, etc., and another shareholder totaling 20% or more.

A person who intends to perform a Purchase alone or in collaboration or cooperation (a "Purchaser") shall comply with the procedures set forth in the Plan in advance, and must not perform a Purchase before the Board of Directors adopts a resolution of non-implementation regarding measures such as an allotment of share options without contribution (the main details of which are set forth in (4) "Outline of Allotment of Share Options Without Contribution" below; such share options shall hereinafter be referred to as "Share Options").

(b) Submission of the Intent Statement

A Purchaser shall, prior to commencing or executing a Purchase, submit a document (on which the signature or seal of the representative of the Purchaser is placed and no conditions or reservations shall be imposed) including a legally binding undertaking that the Purchaser will comply with the procedures set forth in the Plan and a qualification certificate of the representative who signed or sealed that document, in a form as

stipulated by the Company (collectively the “Intent Statement”) to the Company. The Intent Statement shall clearly specify the name or designation, the address or location such as the head office and offices of the Purchaser, the governing law for incorporation, the name of the representative, the contact in Japan, the outline of the intended Purchase. The language used in the Intent Statement and the purchase statement, which is set forth in (c) below, and any other material that is submitted by the Purchaser to the Company or the Independent Committee shall be Japanese only.

(c) Request to the Purchaser for the provision of information

The Company will deliver a form for the purchase statement (defined below) (including a list of information to be provided by a Purchaser to the Company) to a Purchaser within 10 business days after receiving the Intent Statement. The Purchaser is required to submit a written statement (the “Purchase Statement”), which provides the information stipulated below (“Essential Information”), to the Board of Directors in a form issued by the Company.

If the Board of Directors receives the Purchase Statement, it will promptly send it to the Independent Committee (standards for appointing members, requirements for resolutions, resolution matters, and other matters concerning the Independent Committee are as described in the overview of the Independent Committee rules in Note 13, and career summaries and other matters regarding the members of the Independent Committee at the time of the Renewal are as described in Appendix 2 “Career Summary of Independent Committee Members”). If the Independent Committee determines that the Purchase Statement does not contain sufficient Essential Information, it may set an appropriate reply deadline and request that the Purchaser provide additional information. In this case, the Purchaser is required to submit such additional information to the Company by the relevant deadline.

- 1) Details (including names, capital relationship, financial content, business performance, existence or non-existence of past violations of compliance with laws and regulations and details thereof, details of past transactions similar to the Purchase by the Purchaser) of the Purchaser and its group (including joint shareholders, specially-related parties, and specially-related parties of the party whose controlled incorporation^{*14} is the Purchaser)^{*15}
 - 2) Purpose, method, and specific content of the Purchase (including value and type, time, mechanism of related trade, legality of the method, and information on the feasibility)
 - 3) Price and basis of the valuation of the Purchase
 - 4) Existence or non-existence of communication between the Purchaser and a third party regarding Company share certificates, etc., or the Purchase and details thereof, as well as information regarding past acquisition or disposal of Company share certificates, etc. by the Purchaser
 - 5) Proof of funds for the Purchase (which includes the specific names of providers of the funds for the Purchase (including the substantial providers), procurement methods, content of related trade, etc.)
 - 6) Management policy, business plans, capital policy, dividend policy, asset utilization policy, etc. of the Company Group after the Purchase (which includes the approach to coexistence with local communities, transportation policy in the transportation business, safety management policy, etc.)
 - 7) Response policy regarding the Company’s shareholders (excluding the Purchaser), employees, business partners, customers, local residents, and other stakeholders related to the Company
 - 8) Specific measures to prevent conflicts of interest if it plans to implement measures that may cause conflicts of interest with other shareholders of the Company
 - 9) Information regarding relationships with antisocial forces
 - 10) Other information reasonably deemed necessary by the Board of Directors or the Independent Committee
- (d) Examination of the content of the Purchase, negotiation with the Purchaser, and consideration of alternative proposals
- 1) Request to the Board of Directors for the provision of information

If the Independent Committee reasonably determines that the Purchaser has submitted the Purchase Statement and additional information requested by the Independent Committee (if any), the Independent

Committee may also request the Board of Directors to provide its opinion (including an opinion to the effect it reserves its opinion; the same applies hereinafter) on the content of the Purchase proposed by the Purchaser and the supporting materials, alternative proposals (if any), other information, etc. that the Independent Committee deems necessary from time to time, after setting an appropriate reply deadline (the “Board of Directors Review Period”).

2) Reviews and other considerations by the Independent Committee

The Independent Committee shall examine the content of the Purchase, collect and compare information regarding the management plan and business plan, etc. of the Purchaser and the Board of Directors, and review the alternative proposal presented by the Board of Directors, in principle, for a period of up to 90 days (This period is set as the review period of the Independent Committee as the Company Group consists of 79 subsidiaries and 43 affiliates, and its business encompasses a wide range of fields, including transportation, real estate, distribution, logistics, and leisure and service.) from the time the Independent Committee reasonably recognizes that it has received information, etc. (including additionally requested information) from the Purchaser (the “Independent Committee Review Period,” including the Board of Directors Review Period). The Independent Committee may, at the Company’s expense, obtain advice from financial advisors, certified public accountants, lawyers, tax accountants, consultants, and other experts.

In addition, the Independent Committee shall, directly or indirectly, consult or negotiate with the Purchaser, if necessary, to improve the content of the Purchase in view of ensuring and improving the Company’s corporate value and the common interests of its shareholders. The Purchaser shall promptly respond to the direct or indirect request of the Independent Committee for the provision of reviewing materials or other information, consultation, negotiation, etc.

Furthermore, the Independent Committee may extend the Independent Committee Review Period, within a reasonable range (however, the total extendable period shall be up to 30 days) required to review the content of the Purchase by the Purchaser, consider the alternative proposal, and consult and negotiate with the Purchaser

(e) Recommendation by the Independent Committee

On the basis of the above procedures, when the Independent Committee judges that the Purchase by falls under any of the trigger events set forth in (3) “Requirements for Allotment of Share Options Without Contribution” below (collectively the “Trigger Event”), the Independent Committee will recommend the Board of Directors to implement an allotment of Share Options and other possible appropriate measures that may be taken under laws and regulations and the Articles of Incorporation, except under special circumstances, such as cases in which further provision of information by, or negotiation or consultation with, the Purchaser is necessary. With respect to the Trigger Event set out in (3) “Requirements for Allotment of Share Options Without Contribution” below pertaining to a Purchase, in such cases as where the applicability of Trigger Event 2 (“Trigger Event 2”) becomes an issue, the Independent Committee may attach a reservation to the effect that prior or subsequent approval at a general meeting of shareholders should be obtained.

Notwithstanding the foregoing, even after the Independent Committee has already made a recommendation for the implementation of the allotment of Share Options without contribution, if the Independent Committee determines that either of the events below applies, it may make a new recommendation: on or before the second business day prior to the ex-rights date with respect to the allotment of Share Options without contribution, the Independent Committee may recommend that the Company should cancel the allotment of Share Options without contribution; or from the effective date of the allotment of Share Options without contribution and until the day immediately prior to the commencement date of the period of exercise of the Share Options, it may recommend that the Company should acquire the Share Options for no consideration.

- (i) When the Purchase is canceled or withdrawn by the Purchaser after the recommendation or when the Purchase is otherwise no longer existent^{*16}; or
- (ii) When the Trigger Event is no longer existent due to such reasons as changes in the facts on which

the decision of the recommendation was based.

On the other hand, if the Independent Committee determines that the Purchase does not fall under the Trigger Event, the Independent Committee shall not make a recommendation to the Board of Directors that the allotment of Share Options without contribution should be implemented. However, if the Trigger Event becomes existent thereafter as a result of any change in the facts on which the relevant decision was based, the Independent Committee may issue a new recommendation that an allotment of Share Options without contribution should be implemented.

In addition to the above, if the Purchase is likely to harm the Company's corporate value and the common interests of its shareholders, the Independent Committee may recommend that a general meeting of shareholders be held to confirm the intent of the shareholders with respect to the Purchase by the Purchaser, together with the reasons therefor.

(f) Holding of Shareholders' Intent Confirmation Meeting

With regard to implementing an allotment of Share Options without contribution according to the Plan, the Board of Directors may, in principle^{*17}, convoke a general meeting of shareholders to confirm the intent of shareholders (a "Shareholders' Intent Confirmation Meeting"^{**18,*19}).

(g) Resolution of Board of Directors

If a Shareholders' Intent Confirmation Meeting is held in accordance with (f) above, the Board of Directors shall adopt a resolution in accordance with the resolution made at the Shareholders' Intent Confirmation Meeting. However, if a recommendation is received from the Independent Committee in accordance with (e) above and a Shareholders' Intent Confirmation Meeting is not held, the Board of Directors shall, with the utmost respect for the recommendation, adopt a resolution as an organ under the Companies Act regarding the implementation or non-implementation of an allotment of Share Options without contribution.

(h) Information disclosure

In operating the Plan, the Company shall disclose the following information in a timely manner in accordance with applicable laws and regulations, financial instruments exchange rules, etc.: progress status of the procedures set forth in the Plan (including the fact that the Intent Statement and the Purchase Statement were submitted; the fact that the Independent Committee Review Period was commenced; and the fact that the Independent Committee Review Period was extended, together with the length of extension and the reason therefor), the outline of the recommendation, etc. of the Independent Committee, the outline of the resolution adopted by the Board of Directors, the outline of the resolution made at the Shareholders' Intent Confirmation Meeting, and any other matters deemed appropriate by the Board of Directors or the Independent Committee.

(3) Requirements for Allotment of Share Options Without Contribution

The requirements for triggering the Plan to implement an allotment of Share Options without contribution shall be as follows. As described in (2) "Procedures for Triggering the Plan" (e) above, whether the Purchase falls under the following requirements shall at all times be decided with and after the recommendation of the Independent Committee.

Trigger Event 1

When the Purchase is not in conformity with the procedures set forth in the Plan (including the case where the Purchaser does not provide time or information reasonably required to make judgments on the content of the Purchase) and it is deemed reasonable to implement an allotment of Share Options without contribution

Trigger Event 2

When the Purchase by the Purchaser falls under any of the following and it is deemed reasonable to implement an allotment of Share Options without contribution

- (a) When the Purchase clearly risks infringing on the Company's corporate value and the common interests of its shareholders, by reason of the acts, etc. listed below;

- 1) Act in which the Purchaser corners share certificates, etc., and demands that the Company or parties related to the Company purchase such share certificates at a high price;
 - 2) Act in which the Purchaser temporarily controls the management of the Company for the benefit of the Purchaser at the expense of the Company, such as acquiring material assets, etc. of the Company at low cost;
 - 3) Act in which the Purchaser appropriates assets of the Company to secure or repay a debt of the Purchaser or its group companies, etc.; or
 - 4) Act in which the Purchaser temporarily takes control of the management of the Company to dispose of high-priced assets or other properties that have no current relevance to the Company's businesses so that the Purchaser may cause the Company to distribute high dividends or to sell shares at a high price by taking advantage of the opportunity afforded by the sudden rise in share prices due to the temporarily high dividends;
- (b) When the Purchase has the risk of effectively coercing shareholders into selling their shares, such as coercive two-tiered tender offers (which refers to an act in which shares are purchased in tender offers, etc., whereby no solicitations for purchasing all shares are made in the initial purchase, and disadvantageous purchase terms are set or the purchase terms are not made explicitly clear in the second stage);
 - (c) When the conditions of the Purchase (including value and type in consideration, time, legality of the method and feasibility, or policies concerning the Company's other shareholders, employees, customers, business partners, and other stakeholders of the Company after the Purchase) are insufficient or inadequate in light of the Company's intrinsic value; or
 - (d) When the Purchase materially threatens to harm the Company's corporate value and the common interests of its shareholders, such as by damaging relationships with the Company's employees, customers, business partners, etc., which are indispensable for creating the Company's corporate value.

In addition to the above, the Company may trigger the Plan by implementing reasonable measures that may be taken under laws and regulations and the Articles of Incorporation if the requirements equivalent to each Trigger Event above are satisfied and reasonable. In this case too, as described in (2) "Procedures for Triggering the Plan" (e) above, the decision shall at all times be made with and after the recommendation of the Independent Committee.

(4) Outline of Allotment of Share Options Without Contribution

The outline of allotment of Share Options without contribution planned to be implemented under the Plan is as follows:

(a) Number of Share Options

The number of Share Options shall be equal to the final total number of shares issued as of a certain date (the "Allotment Date") (provided, however, that the number of Company shares held by the Company as of the same date is deducted) decided by resolution of the Board of Directors or by resolution at a general meeting of shareholders concerning the allotment of Share Options without contribution (the "Resolution for Allotment of Share Options Without Contribution").

(b) Shareholders eligible for allotment

Share Options shall be allotted to shareholders other than the Company who are registered on the final shareholder registry as of the Allotment Date, at the proportion of one Share Option to one Company share held by the shareholder.

(c) Effective date of allotment of Share Options without contribution

The effective date shall be separately decided by a Resolution for Allotment of Share Options Without Contribution.

(d) Number of shares underlying Share Options

The number of Company shares underlying each Share Option (the "Applicable Number of Shares") is, in principle, one share.

(e) Value of property contributed at the exercise of Share Options

The subject of the contribution to be made upon exercise of Share Options shall be money. The value per Company share of the property to be contributed upon the exercise of Share Options shall be one yen.

(f) Period of exercise of Share Options

The date separately prescribed in the Resolution for Allotment of Share Options Without Contribution shall be the initial date (the initial date of such a period of exercise shall be the “Commencing Date of the Exercise Period”), and the period of exercise shall be the period separately prescribed in the Resolution for Allotment of Share Options Without Contribution within the range of one to six months.

(g) Conditions for exercise of Share Options

Any person who falls under any of the following may not, in principle, exercise the Share Options:

- (I) a Purchaser;
- (II) a joint holder of a Purchaser;
- (III) a specially-related party of a Purchaser;
- (IV) a transferee of or successor to the Share Options of a person who falls under any of (I) to (III) above without the approval of the Board of Directors (including a joint holder and specially-related party); or
- (V) an affiliated party of a person who falls under (I) to (IV)^{*20}
(those falling under (I) to (V) shall collectively be referred to as the “Non-Qualified Person”)^{*21}

In determining whether a person is a Non-Qualified Person, the Board of Directors shall hear the opinions of the Independent Committee and pay utmost respect to the judgment of the Independent Committee.

Furthermore, nonresidents of Japan who are required to follow certain procedures under foreign laws and regulations to exercise Share Options may not, as a general rule, exercise Share Options (provided, however, that on the condition that they comply with the applicable laws and regulations, Share Options held by such nonresidents will also be subject to acquisition by the Company in exchange for Company shares as described in (i) 2) below). In addition, a person who does not submit a written pledge in a form prescribed by the Company containing representations and warranties regarding matters such as the fact that the person satisfies the conditions for the exercise of Share Options, indemnity clauses, and other covenants may not exercise Share Options.

(h) Restrictions on the transfer of Share Options

The acquisition of Share Options through transfer requires the approval of the Board of Directors.

(i) Acquisition of Share Options by the Company

- 1) If the Board of Directors deems it appropriate for the Company to acquire Share Options, the Company may at any time acquire all Share Options without contribution upon the coming of the date separately prescribed by the Board of Directors, until the day before the Commencing Date of the Exercise Period.
- 2) The Company may, upon the coming of the date separately prescribed by the Board of Directors, acquire all Share Options held by persons other than Non-Qualified Persons and are not exercised by the day before that date prescribed by the Board of Directors, and in exchange, deliver the number of Company shares equivalent to the Applicable Number of Shares for each Share Option.

Furthermore, if the Board of Directors acknowledges the presence of persons other than Non-Qualified Persons among the holders of Share Options after the date of such acquisition, upon the coming of the date prescribed by the Board of Directors that is after the date of the above acquisition, all Share Options held by the relevant persons that remains unexercised as of the day before that date prescribed by the Board of Directors shall be acquired by the Company, and in exchange, the Company may deliver shares equivalent to the Applicable Number of Shares for each Share Option, and the same shall apply thereafter.

- 3) The Company may, upon the coming of the date separately prescribed by the Board of Directors after the effective date of the allotment of Share Options without contribution, acquire all the Share Options held by Non-Qualified Persons, and in exchange, issue the same number of Share Options that Non-

Qualified Persons are not permitted to exercise in principle*²² as consideration for the Share Options acquired. Details of the relevant Share Options shall be prescribed in the Resolution for Allotment of Share Options Without Contribution.

It is not anticipated that the Share Options held by a Non-Qualified Person will be acquired through the delivery of money to the Non-Qualified Person.

- 4) Other acquisition matters shall be separately prescribed in the Resolution for Allotment of Share Options Without Contribution.
- (j) Delivery of share options in the case of merger, absorption-type company split, incorporation-type company split, share exchange, and share transfer

This shall be separately prescribed in the Resolution for Allotment of Share Options Without Contribution.

- (k) Issuance of share option certificates

Share option certificates will not be issued for Share Options.

- (l) Other

In addition to the above, details of the content of Share Options shall be separately prescribed in the Resolution for Allotment of Share Options Without Contribution.

(5) Effective Period, and Abolition and Modification of the Plan

The effective period of the Plan shall be until the close of the annual general meeting of shareholders for the last fiscal year ending within three years after the close of this General Meeting of Shareholders.

However, even before the expiration of the effective period, if the Board of Directors resolves to abolish the Plan, the Plan shall be abolished in accordance with that resolution.

Further, the Board of Directors may revise or modify the Plan even during the effective period of the Plan, subject to the approval of the Independent Committee, when laws, regulations financial instruments exchange rules, etc., concerning the Plan are established, amended, or abolished and it is appropriate to reflect the relevant establishment, amendment or abolishment in the Plan; when it is appropriate to correct the wordings because of typographical errors, omissions, etc.; or when the revision or modification is not in conflict with the intent of the resolution of this General Meeting of Shareholders such as when it does not cause any disadvantage to the Company's shareholders.

If the Plan is abolished, revised, or modified, the Company will promptly disclose the fact of such abolishment, revision, or modification, and (in the case of a revision or modification) the details of the revision, modification, and other matters.

(6) Revision due to Amendments in Laws and Regulations

The provision of laws and regulations cited in the Plan are based on provision in effect as of May 10, 2024. If it becomes necessary after that date to amend the clauses, definitions of terms, etc. set out in the paragraphs above due to the establishment, amendment, or abolishment of laws and regulations, the clauses, definitions of terms, etc., set out in the paragraphs above may be replaced accordingly as required to a reasonable extent, taking into consideration the purpose of such establishment, amendment or abolishment.

(7) Other Matters

The details of the Plan may be determined by the Board of Directors.

Notes:

1. The Company no longer issues share certificates as the electronic share certificate system was introduced on January 5, 2009. In the Plan, however, the term "share certificates, etc." is used in accordance with the provisions of the Financial Instruments and Exchange Act as appropriate, from the perspective that descriptions that comply with the provisions of the said Act will contribute to clarity and objectivity.
2. Includes the act of soliciting a third party to make a Purchase.
3. Defined in Article 27-23, Paragraph (4) of the Financial Instruments and Exchange Act. The same definition shall apply in this proposal.

4. Includes persons included in holders, based on Article 27-23, Paragraph (3) of the Financial Instruments and Exchange Act. (Includes persons whom the Board of Directors deems to fall under the definition.) The same definition shall apply in this proposal.
5. Defined in Article 27-23, Paragraph (1) of the Financial Instruments and Exchange Act. The same definition shall apply unless otherwise specified in this proposal.
6. Defined in Article 27-2, Paragraph (6) of the Financial Instruments and Exchange Act. The same definition shall apply in this proposal.
7. Defined in Article 27-2, Paragraph (8) of the Financial Instruments and Exchange Act. The same definition shall apply in this proposal.
8. Defined in Article 27-2, Paragraph (7) of the Financial Instruments and Exchange Act. (Includes persons whom the Board of Directors deems to fall under the definition.) However, with regard to the persons stipulated in Article 27-2, Paragraph (7), Item (1), those who fall under Article 3, Paragraph (2) of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers, shall be excluded. The same definition shall apply in this proposal.
9. Defined in Article 27-2, Paragraph (1) of the Financial Instruments and Exchange Act.
10. Refers to the joint holder stipulated in Article 27-23, Paragraph (5) of the Financial Instruments and Exchange Act, and includes persons deemed joint holders based on Article 27-23, Paragraph (6). (Includes persons whom the Board of Directors deems to fall under the definition.) The same definition shall apply in this proposal.
11. The determination of whether a “relationship between the Person Acquiring Share Certificates, etc. and another shareholder in which one substantially controls the other or they act in collaboration or cooperation” exists shall be made based on present or past capital relationships (including joint control relationships), business alliances, trading or contractual relationships, concurrent directorships, funding relationships, credit granting relationships, and substantial interests in the Company share certificates, etc. through derivatives, stock lending, etc., and the direct or indirect influence, etc. of the Person Acquiring Share Certificates, etc. and another shareholder on the Company.
12. The determination of whether the predetermined act in 3) above was implemented shall be made reasonably by the Board of Directors while respecting the judgment of the Independent Committee. The Board of Directors may request shareholders of the Company to provide necessary information to the extent needed to determine whether the predetermined conditions in 3) apply.
13. The overview of the Independent Committee rules is set out as follows:
 - The Independent Committee shall be established by resolution of the Board of Directors.
 - The Independent Committee shall consist of at least three members who are independent of the management team that executes the Company’s operations and shall be appointed by the Board of Directors from among (i) Outside Directors of the Company or (ii) outside experts. Such experts must be experienced corporate managers, former government employees, parties with knowledge of the investment banking industry, lawyers, certified public accountants, researchers whose research focuses on the Companies Act, etc., or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Board of Directors that contains a duty of care provision or a similar provision.
 - Unless otherwise determined by resolution of the Board of Directors, the term of office of Independent Committee members will expire at the close of the annual general meeting of shareholders for the last fiscal year ending within three years after the close of this General Meeting of Shareholders. However, the term of office of an Independent Committee member who is an Outside Director will end at the same time when the Independent Committee member ceases to be an Outside Director (except in the case of reappointment).
 - The Independent Committee may make decisions on the matters described in each of the following items and recommend the details of the decisions, together with the reasons therefor, to the Board of Directors. The Board of Directors shall respect the recommendations of the Independent Committee to the maximum extent possible and adopt a resolution as an organ under the Companies Act (provided, however, that if the Shareholders’ Intent Confirmation Meeting is held, the resolution made at this meeting shall be followed). In making such a decision, each member of the Independent Committee must make judgments from the perspective of whether or not the decision will contribute to the Company’s corporate value and the common interests of its shareholders, and must not exclusively seek personal gain for themselves or for the Company’s management team.
 - (i) Implementation or non-implementation of an allotment of Share Options without contribution or other reasonable measures that may be taken under laws and regulations and the Articles of Incorporation
 - (ii) Cancellation of an allotment of Share Options without contribution or acquisition of Share Options without consideration
 - (iii) Determination of applicability of the Plan to the Purchase
 - (iv) Determination of the information to be provided by the Purchaser and the Board of Directors to the Independent Committee and the reply deadline
 - (v) Scrutiny and examination of the content of the Purchase by the Purchaser

- (vi) Negotiation and consultation with the Purchaser
 - (vii) Requesting the Board of Directors to submit an alternative proposal and consideration of the alternative proposal provided by the Board of Directors
 - (viii) Decision to extend the Independent Committee Review Period
 - (ix) Determination of whether or not to convoke a general meeting of shareholders
 - (x) Approval of revisions or modifications to the Plan
 - (xi) Other matters that the Independent Committee is authorized to perform under the Plan
 - (xii) Matters that the Board of Directors determined through consultation with the Independent Committee or otherwise determined that the Independent Committee may perform
- The Independent Committee may request the attendance of the Company’s Directors, employees, and other persons it deems necessary to gather necessary information and may request explanations regarding matters that the Independent Committee requires.
 - The Independent Committee may, at the Company’s expense, obtain advice from financial advisors, certified public accountants, lawyers, tax accountants, consultants, and other experts.
 - Each member of the Independent Committee may convoke a meeting of the Independent Committee in the event of the Purchase or at any other time.
 - Resolutions of the Independent Committee shall, in principle, be adopted by a majority of the votes of Independent Committee members present at meetings attended by at least two-thirds of the members. (Includes attendance by video conference or telephone conference. The same shall apply hereinafter.) However, in unavoidable circumstances, a resolution may be adopted through approval of a majority of voting rights of the Independent Committee members present at meetings attended by a majority of the members.
14. Defined in Article 9, Paragraph (5) of the Enforcement Order for Enforcement of the Financial Instruments and Exchange Act.
 15. If the Purchaser is a fund, it includes the information equivalent to that in 1) above for fund administrators, investors, or other members.
 16. Examples include cases where, after a Purchase that has already commenced is canceled or withdrawn (if the Purchase is made through a tender offer, public notice of the withdrawal of the tender offer (the main clause of Article 27-11, Paragraph (2) of the Financial Instruments and Exchange Act) is required to be made), the Purchaser submits a written covenant that 1) the Purchaser will not implement the Purchase for a certain period of time, 2) the Purchaser will decrease its ownership ratio of share certificates, etc. to a certain level within a certain period of time, and 3) the Purchaser will not exercise the right to request an extraordinary general meeting of shareholders for a certain period of time, and the Purchaser complies with the covenant.
 17. Examples include cases where, in the event that a Purchaser does not comply with the procedures set forth in the Plan and attempts to perform a Purchase, the Board of Directors may implement an allotment of share options without contribution, without holding a Shareholders’ Intent Confirmation Meeting, paying the utmost respect to the opinion of the Independent Committee, because there is no time to hold a general meeting of shareholders or it is impossible to secure the information necessary for the shareholders to decide whether the Purchase is appropriate, among other reasons.
 18. At a Shareholders’ Intent Confirmation Meeting, the intent of shareholders shall in principle be confirmed by an ordinary resolution; however, a Purchaser and a person who is deemed by the Independent Committee to have a special interest in the Purchaser in relation to the proposal may be excluded from the calculation of the requirements for approval of the relevant proposal, taking into consideration various circumstances in a comprehensive manner, including the purpose, method and details of the large-scale purchase, and the possibility of a conflict of interest between the Purchaser and general shareholders.
 19. A Shareholders’ Intent Confirmation Meeting includes those held after the resolution of the Board of Directors regarding the implementation of an allotment of Share Options without contribution and before the effective date of the allotment of Share Options without contribution.
 20. An “affiliated party” refers to a person who substantially controls the other person, is controlled by the other person, or is under the same control as the other person (including persons that the Board of Directors deemed to fall under the definition), or a person identified by the Board of Directors as substantially acting in collaboration or cooperation with another individual. Furthermore, “control” refers to “control the determination of financial and business policies” of another organization (defined in Article 3, Paragraph (3) of the Regulations for Enforcement of the Companies Act).
 21. However, a person whose acquisition or holding of the Company’s shares is deemed by the Board of Directors to be harmless to the Company’s corporate value or the common interest of shareholders, and other persons designated by the Board of Directors in the Resolution for Allotment of Share Options Without Contribution, shall not fall under the category of a Non-Qualified Person.

22. However, conditions may be attached that the exercise of such share options by Non-Qualified Persons will be permitted in certain cases. Specifically, the following condition may be prescribed; after a Purchase that has already commenced is canceled or withdrawn (if the Purchase is made through a tender offer, public notice of the withdrawal of the tender offer (the main clause of Article 27-11, Paragraph-(2) of the Financial Instruments and Exchange Act) is required to be made), if the Purchaser submits a written covenant that 1) the Purchaser will not implement a Purchase for a certain period of time, 2) the Purchaser will decrease the ownership ratio of share certificates, etc. to a certain level within a certain period of time, and 3) the Purchaser will not exercise the right to request an extraordinary general meeting of shareholders for a certain period of time, and the Purchaser complies with the covenant, such a Purchaser or Non-Qualified Person may exercise the share options that they hold only within a certain percentage.

Career Summary of Independent Committee Members

The following three persons are scheduled to be the members of the Independent Committee upon this Renewal.

Name	Career summary	
Toru Kawaharabata (August 3, 1966)	April 1990	Joined the Ministry of Transport (present Ministry of Land, Infrastructure, Transport and Tourism (MLIT))
	August 2004	Deputy General Manager, Corporate Planning Department, General Planning Division, Japan Freight Railway Company
	April 2011	Director-General, Planning and Tourism Department, Kyushu District Transport Bureau, MLIT
	September 2012	Director, Port Management and Operation Division, Ports and Harbours Bureau
	July 2014	Director, Air Navigation Services Planning Division, Air Navigation Services Department, Civil Aviation Bureau
	July 2016	Executive Director, National Agency for Automobile and Land Transport Technology
	July 2018	Director, General Affairs Division, Road Transport Bureau, MLIT
	July 2019	Director-General, Air Navigation Services Department, Civil Aviation Bureau
	July 2020	Director-General, Chugoku District Transport Bureau
	July 2021	Director-General, Kyushu District Transport Bureau
December 2022	Advisor, Nippon Life Insurance Company (present position)	

*Mr. Kawaharabata is a candidate for Outside Director of the Company, and the Company will register him as an Independent Officer with the TSE and FSE. There is no special interest between Mr. Kawaharabata and the Company.

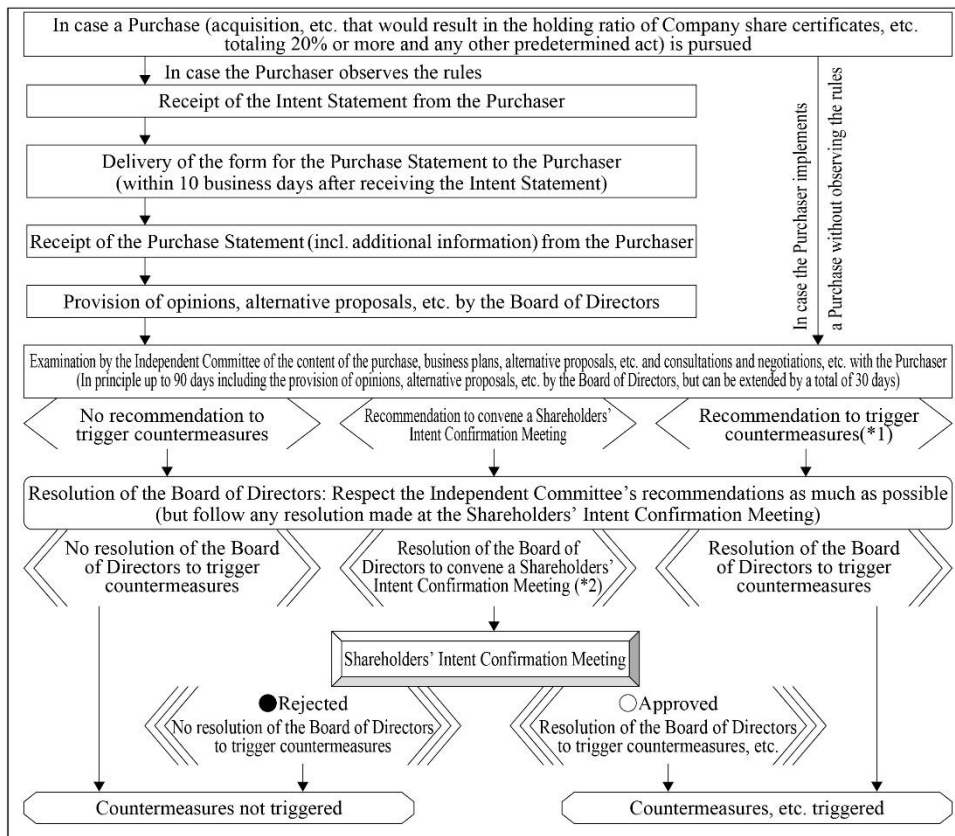
Name	Career summary	
Madoka Kitamura (May 24, 1957)	June 2006	Executive Officer, TOTO KIKI LTD. (present TOTO LTD.)
	April 2011	Managing Executive Officer
	June 2011	Director, Managing Executive Officer
	June 2013	Director, Senior Managing Executive Officer
	April 2014	President, Representative Director
	April 2020	Representative Director, Chairman of the Board (present position)
	June 2020	Director of the Board, Audit & Supervisory Committee member, the Company (present position)
		(Significant concurrent positions: Representative Director, Chairman of the Board, TOTO LTD.)

*Mr. Madoka Kitamura is currently an Outside Director, and the Company has registered him as an Independent Officer with the TSE and FSE. The Company has transactions with TOTO LTD. in the form of receipt of freight handling fees and otherwise, but its amount constitutes less than 1% of annual consolidated sales for each company.

Name	Career summary	
Kyoko Matsuoka (September 14, 1964)	December 1993	Representative Director, Matsuoka One Architects (present Spinglass Architects) (present position)
	April 2007	Associate Professor, Department of Architecture, School of Science and Technology for Future Life, Tokyo Denki University
	October 2012	President, NPO Fukuoka Architecture Foundation (present position)
	November 2016	Representative Director and President, Daio Co., Ltd. (present position)
	June 2020	Representative Director, Community Design in City Center (present position)
	June 2020	Director of the Board, the Company
	June 2022	Director of the Board, Audit & Supervisory Committee member (present position)
	(Significant concurrent positions: Representative Director and President, Daio Co., Ltd.)	

*Ms. Kyoko Matsuoka is currently an Outside Director of the Company, and the Company has registered her as an Independent Officer with the TSE and FSE. There is no special interest between Ms. Matsuoka and the Company.

Overview of the Flow of Procedures in this Plan



*1 With respect to the Trigger Event for countermeasures (allotment of Share Options without contribution), in such cases as where the applicability of Trigger Event 2 becomes an issue, the Independent Committee may attach a reservation in advance to the effect that approval at a general meeting of shareholders should be obtained for such implementation.

*2 The Board of Directors may, in principle, convoke a Shareholders' Intent Confirmation Meeting to confirm the intent of shareholders for the implementation of an allotment of Share Options without contribution in accordance with the Plan.

This reference material is intended to illustrate the content of the Plan in a simplified and diagrammatic format in order to provide shareholders with an easy-to-understand explanation. Therefore, the completeness, comprehensiveness, accuracy, etc. of this reference material is not guaranteed, and we ask that you refer to the main text for an accurate description of the Plan.