

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 4611

June 5, 2024

To our shareholders:

Takayuki Sato President

**Dai Nippon Toryo Co., Ltd.**

18-11 Minamisemba 1-chome, Chuo-ku, Osaka

## NOTICE OF THE 141ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dai Nippon Toryo Co., Ltd. (the “Company”) would hereby like to inform you that the 141st Ordinary General Meeting of Shareholders will be held as described below.

When convening this General Meeting of Shareholders, measures for providing information in electronic format will be implemented for the information contained in the Reference Documents, etc., for this General Meeting of Shareholders (matters subject to the measures for electronic provision), which will be posted on the following websites on the Internet. You are kindly requested to access any of these websites and check the information.

The Company’s website, General Meeting of Shareholders page:

<https://www.dnt.co.jp/ir/stock/meeting/> (in Japanese)

Website for the materials for the General Meeting of Shareholders:

<https://d.sokai.jp/4611/teiji/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Access the TSE website by using the Internet address shown above, enter “Dai Nippon Toryo” in “Issue name (company name)” or the Company’s securities code “4611” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

If you do not attend the meeting in person, you may exercise your voting rights by the Internet or by postal mail. In this case, after reviewing the Reference Documents for the General Meeting of Shareholders, please exercise your voting rights no later than 5:00 p.m., Wednesday, June 26, 2024 (Japan Standard Time).

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. (Japan Standard Time) (Reception scheduled to open at 9:00 a.m.)
- 2. Venue:** SR Building Nagahori, 9th Floor Conference Room of the Company’s Head office  
18-11 Minamisemba 1-chome, Chuo-ku, Osaka

### 3. Purposes:

#### Items to be reported:

1. Business Report and Consolidated Financial Statements for the 141st Term (from April 1, 2023 to March 31, 2024), as well as the results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 141st Term (from April 1, 2023 to March 31, 2024)

#### Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Nine (9) Directors
- Proposal 3:** Election of One (1) Substitute Corporate Auditor

Matters subject to the measures for electronic provision

- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the above websites on the Internet.
- Concerning informational materials for this General Meeting of Shareholders, the Company has sent out paper-based documents stating matters subject to measures for electronic provision to all shareholders, whether or not a request for delivery of paper-based documents has been made. However, those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 14 of the Company's Articles of Incorporation. Note that similarly to the matters stated in the paper-based documents, the matters mentioned below are also audited by the Accounting Auditor and the Board of Corporate Auditors when they prepared their respective audit reports.
  - (1) "The Systems to Ensure the Appropriateness of Operations and Status of Operations of the System" in the Business Report
  - (2) "Consolidated Statements of Changes in Net Assets" and "Notes to the Consolidated Financial Statements"
  - (3) "Non-Consolidated Statements of Changes in Net Assets" and "Notes to the Non-Consolidated Financial Statements" in the Non-Consolidated Financial Statements

System for providing materials for the General Meeting of Shareholders in electronic format

- The system for providing materials for the General Meeting of Shareholders in electronic format began due to amendments to the Companies Act which came into effect on September 1, 2022. For the system, in regard to the materials for the General Meeting of Shareholders (the Reference Documents for the General Meeting of Shareholders, Business Report, audit reports, Non-Consolidated Financial Statements, and Consolidated Financial Statements), as a general rule, please review the materials through the Internet after accessing the above websites, and paper-based materials for the General Meeting of Shareholders will only be sent as an exception to shareholders who requested delivery of paper-based documents by the prescribed method by the record date of the General Meeting of Shareholders.
- Please contact Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation for details on the system for provision and requesting paper-based documents.

[Inquiries concerning the system for provision]

Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation

TEL: 0120-696-505 (Toll-free / Available: 9:00 a.m. to 5:00 p.m. (Japan Standard Time))

Attending the General Meeting of Shareholders

- If you attend the meeting in person, please submit the enclosed voting form at the reception.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### Proposal 1: Appropriation of Surplus

Returning profits stably to shareholders is one of the important management issues, and the Company aims to maintain consistent and stable payment of dividends according to its business performance as its basic policy, while striving to strengthen its corporate structure and maintain financial soundness of the Company.

In light of the solid business performance for the current fiscal year and the recording of extraordinary income from the sale of some of shares held as cross-shareholdings and the transfer of non-current assets held by a consolidated subsidiary, as announced on March 26, 2024, we plan to pay a year-end dividend of ¥35 per share for the current fiscal year, an increase of ¥10 from the previous year-end dividend.

1. Type of dividend property  
Cash
2. Allocation of dividend property to shareholders and total amount thereof  
¥35 per common share of the Company  
Total amount of dividends: ¥996,249,345
3. Effective date of distribution of dividends of surplus  
June 28, 2024

#### (Reference) Basic Strategy for Capital Policy

The Company recognizes its priority challenges in achieving a medium and long-term increase in its share value in three columns: Improving financial health; effective utilization of shareholders' equity to boost its earnings power; and amplified returns to shareholders. The Company makes it a basic principle underlying its capital policies to take the optimal balance between these three challenges into overall consideration to attain continued growth.

**Proposal 2: Election of Nine (9) Directors**

The term of office of all nine (9) Directors will expire at the conclusion of this meeting. Therefore, we propose the election of nine (9) Directors (of whom three (3) are Outside Directors).

Candidates for Directors have been determined by the Board of Directors based on the recommendation of the Nominating Committee, a majority of which consists of Outside Directors. The candidates for Directors are as follows:

No.	Name		Position and responsibilities in the Company	Attendance to the Board of Directors meetings	Gender	Tenure as Director (at the conclusion of this meeting)
1	Takayuki Sato	Reelection	Representative Director and President	100% (15/15)	Male	Twelve (12) years
2	Tatsuhiko Nagano	Reelection	Director, Managing Executive Officer General Manager, Administrative Division and General Manager, Financial Department, Administrative Division	100% (15/15)	Male	Six (6) years
3	Motohiro Yamamoto	Reelection	Director, Executive Officer General Manager, Specialty Business Division, and Deputy General Manager, Coating Business Division (Head of Technology)	100% (15/15)	Male	Seven (7) years
4	Masayuki Nakatani	Reelection	Director, Executive Officer General Manager, Overseas Operations Division, and in charge of Procurement	100% (15/15)	Male	Two (2) years
5	Akihiro Miyake	Reelection	Director, Executive Officer General Manager, Production Division	100% (12/12)	Male	One (1) year
6	Akira Fujiwara	New candidate	Executive Officer General Manager, Coating Business Division	-	Male	-
7	Kimiyo Hayashi	Reelection Outside Independent	Director	100% (15/15)	Female	Five (5) years
8	Hiroshi Sato	Reelection Outside Independent	Director	100% (15/15)	Male	Two (2) years
9	Koji Baba	Reelection Outside Independent	Director	100% (15/15)	Male	Two (2) years

Note: The attendance to the Board of Directors meetings for Akihiro Miyake covers the Board of Directors meetings held after assuming his office on June 29, 2023.

New candidate: New candidate for Director

Reelection: Candidate for Director to be reelected

Outside: Candidate for Outside Director

Independent: Independent Officer as defined by the Tokyo Stock Exchange

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
1	<p style="text-align: center;">Takayuki Sato (January 15, 1961) Reelection Tenure as Director (at the conclusion of this meeting) Twelve (12) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Apr. 1984      Joined the Company</p> <p>Apr. 2009      Deputy General Manager, Protective Coating Department, General Coating Business Division of the Company</p> <p>Apr. 2010      General Manager, Development Department, Technical Development Division of the Company</p> <p>Apr. 2011      Executive Officer, Deputy General Manager, General Coating Business Division (Head of Technology), and Deputy General Manager, Industrial Coating Business Division (Head of Technology) of the Company</p> <p>Apr. 2012      General Manager, Technical Development Division, and Deputy General Manager, Coating Business Division (Head of Technology) of the Company</p> <p>June 2012      Director of the Company</p> <p>Apr. 2014      General Manager, Coating Business Division, and General Manager, Marketing &amp; Sales Department of the Company</p> <p>Apr. 2016      Managing Executive Officer, General Manager, Protective &amp; Decorative Coatings Department, Coating Business Division of the Company</p> <p>Apr. 2018      Senior Managing Executive Officer, Overall management of the Company</p> <p>June 2018      Representative Director and President of the Company (present position)</p> <p>[Responsibilities] Coating Business Division</p>	34,151 shares
<p>[Reasons for nomination as candidate for Director] Takayuki Sato has a long and proven track record in the technical and marketing divisions of the Company. Since assuming the office of Representative Director and President of the Company in 2018, he has been leading the overall management of the Company's Group with strong leadership, appropriately making important decisions at the Board of Directors and supervising execution of business. Considering this wealth of experience and achievements, the Company requests his reelection as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
2	<p>Tatsuhiko Nagano (September 22, 1963) Reelection Tenure as Director (at the conclusion of this meeting) Six (6) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Apr. 1987      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2012      General Manager, Corporate Banking Division No. 5, Corporate Banking Group No. 2, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2014      General Manager, Marunouchi Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2017      Executive Officer, Deputy General Manager, Administrative Division, and in charge of Finance of the Company</p> <p>Apr. 2018      General Manager, Administrative Division of the Company (present position)</p> <p>June 2018      Director (present position), Managing Executive Officer of the Company (present position)</p> <p>Oct. 2020      In charge of Promotion of Dealer's Collaboration of the Company</p> <p>Apr. 2022      General Manager, Corporate Planning Department, Administrative Division of the Company</p> <p>Apr. 2024      General Manager, Financial Department, Administrative Division of the Company (present position)</p> <p>[Responsibilities] Administrative Division</p>	10,538 shares
<p>[Reasons for nomination as candidate for Director] Tatsuhiko Nagano has ample expertise gained through his experience in finance and management strategies in a financial institution. He is leading the Administrative Division, while chairing the Compliance Committee and Risk Management Committee, thereby contributing towards sound management of the Company's Group. Considering this wealth of experience and achievements, the Company requests his reelection as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
3	<p>Motohiro Yamamoto (January 18, 1964) Reelection Tenure as Director (at the conclusion of this meeting) Seven (7) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Apr. 1986      Joined the Company Apr. 2014      Deputy General Manager, Technical Development Division, General Manager, Development Department, Head of First Technical Development Group, and Deputy General Manager, Protective &amp; Decorative Coatings Department of the Company Apr. 2015      Executive Officer of the Company (present position) Apr. 2016      General Manager, Technical Development Division, and Deputy General Manager, Coating Business Division (Head of Technology) of the Company June 2017      Director of the Company (present position) Apr. 2018      General Manager, Coating Business Division of the Company Apr. 2022      General Manager, Specialty Business Division (present position), and Deputy General Manager, Coating Business Division (Head of Technology) (present position) of the Company [Responsibilities] Specialty Business Division, Technical Development Division</p>	11,490 shares
<p>[Reasons for nomination as candidate for Director] Motohiro Yamamoto has ample expertise gained through his experience in coating development and market development in the technical and marketing divisions of the Company. He is currently responsible for the Specialty Business Division and the Technical Development Division. Considering this wealth of experience and achievements, the Company requests his reelection as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
4	<p>Masayuki Nakatani (December 8, 1966) Reelection Tenure as Director (at the conclusion of this meeting) Two (2) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Apr. 1990      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Oct. 2011      Deputy General Manager, Corporate Administration Division, The Bank of Tokyo- Mitsubishi UFJ, Ltd.</p> <p>Oct. 2014      Deputy General Manager, Namba Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Apr. 2015      General Manager, Tokuyama Branch, and General Manager, Tokuyama Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Oct. 2017      Deputy General Manager, Credit Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2019      Joined the Company Senior Manager, Corporate Planning Department, Administrative Division</p> <p>Apr. 2020      Executive Officer (present position), General Manager, Corporate Planning Department, Administrative Division of the Company</p> <p>Apr. 2022      General Manager, Overseas Operations Division of the Company (present position)</p> <p>June 2022      Director of the Company (present position) In charge of Procurement (present position)</p> <p>[Responsibilities] Overseas Operations Division, Procurement Division</p>	7,760 shares
<p>[Reasons for nomination as candidate for Director] Masayuki Nakatani has ample expertise gained through his experience in finance and accounting in a financial institution. After joining the Company, he developed and promoted the medium-term management plan as the General Manager of the Corporate Planning Department, and he was responsible for management and internal control of Group companies in Japan and overseas. Drawing on these strong management ability and track record, he is currently responsible for the Overseas Operations Division and Procurement Division. Considering this wealth of experience and achievements, the Company requests his reelection as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
5	<p style="text-align: center;">Akihiro Miyake (February 7, 1971) Reelection Tenure as Director (at the conclusion of this meeting) One (1) year Attendance to the Board of Directors meetings (after assuming office on June 29, 2023) 12/12 (100%)</p>	<p>Apr. 1996      Joined the Company</p> <p>Apr. 2013      Deputy General Manager, Production Engineering Department, Production Division of the Company</p> <p>Apr. 2015      Deputy General Manager, Coating Business Planning Department, Coating Business Division of the Company</p> <p>Apr. 2017      General Manager, Coating Business Planning Department, Coating Business Division of the Company</p> <p>Apr. 2021      Executive Officer (present position), General Manager, Production Engineering Department, Production Division of the Company</p> <p>Apr. 2022      General Manager, Production Division of the Company (present position)</p> <p>June 2023      Director of the Company (present position)</p> <p>[Responsibilities] Production Division</p>	8,773 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>In addition to his ample expertise gained through his experience in coating development and manufacturing and business planning in the technical, production and marketing divisions of the Company, Akihiro Miyake has a track record of various projects such as constructing core systems and quality management, and is currently responsible for the Production Division.</p> <p>Considering this wealth of experience and achievements, the Company requests his reelection as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
6	Akira Fujiwara (April 18, 1960) New candidate	<p>Apr. 1983      Joined the Company</p> <p>Apr. 2010      General Manager, West Japan Marketing &amp; Sales Department, General Coating Marketing &amp; Sales Department, General Coating Business Division of the Company</p> <p>Apr. 2013      General Manager, Metal Baking Coatings Department, Coating Business Division of the Company</p> <p>July 2016      General Manager, Marketing &amp; Sales Department, Coating Business Division of the Company</p> <p>Apr. 2017      Representative Director and President, DNT Sanyo Chemical Co., Ltd.</p> <p>Apr. 2020      Executive Officer (present position), Deputy General Manager, Coating Business Division of the Company</p> <p>Apr. 2021      General Manager, Coating Business Planning Department, Coating Business Division of the Company</p> <p>Apr. 2023      General Manager, Market Development Department, Coating Business Division of the Company</p> <p>Dec. 2023      General Manager, Coating Business Division of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Representative Director and President, Dai Nippon Toryo Hokkaido Co., Ltd.</p>	3,422 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>In addition to his ample expertise gained through his experience in market development and business planning cultivated over many years in the marketing division of the Company, Akira Fujiwara has management experience in the Group's sales-related companies in Japan and is currently responsible for the marketing division. Considering this wealth of experience and achievements, the Company requests his election as a Director in the belief that he will strengthen the decision-making and supervisory functions of the Board of Directors, and will contribute towards continuous growth and further improvement of the corporate value of the Company's Group.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
	<p style="text-align: center;">Kimiyo Hayashi (April 29, 1958) Reelection Outside Independent Tenure as Outside Director (at the conclusion of this meeting) Five (5) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Oct. 1982      Joined Asahi &amp; Co. (currently KPMG AZSA LLC) Mar. 1986      Registered as a certified public accountant (to the present) Oct. 1995      Senior Manager, Asahi &amp; Co. (retired in September 2009) Oct. 2009      Representative, Hayashi Kimiyo Certified Public Accountant Office (present position) Oct. 2010      Corporate Auditor, Iwatani Direct Co., Ltd. (currently IWATANI-I-COLLECT Co., Ltd.) (present position) June 2019      Director of the Company (present position) June 2020      Outside Auditor, NEW COSMOS ELECTRIC CO., LTD. (present position) [Significant concurrent positions outside the Company] Representative, Hayashi Kimiyo Certified Public Accountant Office Outside Auditor, NEW COSMOS ELECTRIC CO., LTD.</p>	3,700 shares
7	<p>[Summary of reasons for nomination as candidate for Outside Director and expected roles] In addition to her wealth of insight in finance and accounting as a certified public accountant, Kimiyo Hayashi has ample experience as an auditor of business corporations. In the Company, she is appropriately playing her role of the management supervisory function, including actively participating in discussion at the Board of Directors from her expert perspective. The Company requests her reelection as an Outside Director in the expectation that her advice on the Company's overall management will contribute towards reinforcement of corporate governance of the Company, which leads to accomplishing continuous growth and further improvement of the corporate value of the Company's Group. Moreover, if she is reelected, the Company will seek her continued involvement in selecting the Company's officer candidates and making decisions on officer remuneration and other matters from an objective and neutral perspective as a member of the Nominating Committee and the Remuneration Advisory Committee. Although she has not been involved in the management of a company except as an outside officer in the past, the Company deems her capable of appropriately performing her professional duties as an Outside Director for the reasons above.</p>		
	<p>[Facts regarding violations of laws, regulations, or the Articles of Incorporation of the Company or other companies in which candidate for Outside Director concurrently serves as officer] In October 2023, while Kimiyo Hayashi was serving as an Outside Director of the Company, the Company announced that inappropriate actions, such as falsification of inspection values in relation to the inspection standards established within the Company, had been conducted on JIS products manufactured by our consolidated subsidiary Okayama Kako Co., Ltd. Although she was unaware of the said misconduct until it was discovered, she has been regularly making recommendations, etc. from the viewpoint of legal compliance. After the discovery of the said misconduct, she fulfilled her responsibilities by providing advice, etc. on how to strengthen the internal control system and ensure compliance in order to prevent recurrence.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
8	<p style="text-align: center;">Hiroshi Sato (January 2, 1958) Reelection Outside Independent Tenure as Outside Director (at the conclusion of this meeting) Two (2) years Attendance to the Board of Directors meetings 15/15 (100%)</p>	<p>Apr. 1980      Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2005      General Manager, Credit &amp; Advisory Division, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2006      General Manager, Credit Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2007      Executive Officer, Manager, Credit Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2008      Full-time Member of the Audit &amp; Supervisory Committee, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (retired in June 2011)</p> <p>June 2011      Representative Director and Managing Director, Mitsubishi Steel Mfg. Co., Ltd. (retired in June 2017)</p> <p>June 2017      Standing Audit &amp; Supervisory Board Member, Mitsubishi Materials Corporation</p> <p>June 2019      Outside Director and Standing Audit Committee Member, Mitsubishi Materials Corporation (retired in June 2022)</p> <p>June 2022      Director of the Company (present position)</p>	1,100 shares
<p>[Summary of reasons for nomination as candidate for Outside Director and expected roles]</p> <p>Hiroshi Sato has ample expertise related to finance, accounting, and corporate management gained through his experience as a corporate auditor of a financial institution and a senior corporate executive and corporate auditor of listed enterprises. The Company requests his reelection as an Outside Director in the expectation that his advice on the Company's overall management will contribute towards reinforcement of corporate governance of the Company, which leads to accomplishing continuous growth and further improvement of corporate value of the Company's Group. Moreover, if he is reelected, the Company will seek his continued involvement in selecting the Company's officer candidates and making decisions on officer remuneration and other matters from an objective and neutral perspective as a member of the Nominating Committee and the Remuneration Advisory Committee.</p>			
<p>[Facts regarding violations of laws, regulations, or the Articles of Incorporation of the Company or other companies in which candidate for Outside Director concurrently serves as officer]</p> <p>In October 2023, while Hiroshi Sato was serving as an Outside Director of the Company, the Company announced that inappropriate actions, such as falsification of inspection values in relation to the inspection standards established within the Company, had been conducted on JIS products manufactured by our consolidated subsidiary Okayama Kako Co., Ltd.</p> <p>Although he was unaware of the said misconduct until it was discovered, he has been regularly making recommendations, etc. from the viewpoint of legal compliance. After the discovery of the said misconduct, he fulfilled his responsibilities by providing advice, etc. on how to strengthen the internal control system and ensure compliance in order to prevent recurrence, as well as investigating the facts as a member of the special investigation committee.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities	Number of the Company's shares owned
9	Koji Baba (August 22, 1957) Reelection Outside Independent Tenure as Outside Director (at the conclusion of this meeting) Two (2) years Attendance to the Board of Directors meetings 15/15 (100%)	<p>Apr. 1981      Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2007      General Manager, Johannesburg Representative Office, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Dec. 2010      Joined Nippon Yusoki Co., Ltd. (currently Mitsubishi Logisnext Co., Ltd.)</p> <p>Apr. 2011      General Manager, Business Planning Office, Sales and Marketing Headquarters, Nippon Yusoki Co., Ltd.</p> <p>Apr. 2013      Division Head, General Manager, Overseas Business Planning Division, Overseas Sales and Marketing Headquarters, Mitsubishi Nichiyu Forklift Co., Ltd. (currently Mitsubishi Logisnext Co., Ltd.)</p> <p>June 2014      Executive Officer, Division Head, General Manager, Overseas Business Planning Division, Overseas Sales and Marketing Headquarters, Mitsubishi Nichiyu Forklift Co., Ltd.</p> <p>Oct. 2017      Member of the Executive Team, Deputy Head, Overseas Sales and Marketing Headquarters and Division Head, General Manager, Overseas Business Planning Division, Mitsubishi Logisnext Co., Ltd.</p> <p>June 2019      Audit and Supervisory Board Member, Mitsubishi Logisnext Co., Ltd. (retired in June 2023)</p> <p>June 2022      Director of the Company (present position)</p>	1,100 shares
<p>[Summary of reasons for nomination as candidate for Outside Director and expected roles]</p> <p>Koji Baba has ample expertise related to finance and accounting as well as overseas business gained through his experience as an executive officer in charge of overseas sales and a corporate auditor of a listed enterprise, in addition to many years of experience in a financial institution. The Company requests his reelection as an Outside Director in the expectation that his advice on the Company's overall management will contribute towards reinforcement of corporate governance of the Company, which leads to accomplishing continuous growth and further improvement of corporate value of the Company's Group.</p> <p>Moreover, if he is reelected, the Company will seek his continued involvement in selecting the Company's officer candidates and making decisions on officer remuneration and other matters from an objective and neutral perspective as a member of the Nominating Committee and the Remuneration Advisory Committee.</p>			
<p>[Facts regarding violations of laws, regulations, or the Articles of Incorporation of the Company or other companies in which candidate for Outside Director concurrently serves as officer]</p> <p>In October 2023, while Koji Baba was serving as an Outside Director of the Company, the Company announced that inappropriate actions, such as falsification of inspection values in relation to the inspection standards established within the Company, had been conducted on JIS products manufactured by our consolidated subsidiary Okayama Kako Co., Ltd.</p> <p>Although he was unaware of the said misconduct until it was discovered, he has been regularly making recommendations, etc. from the viewpoint of legal compliance. After the discovery of the said misconduct, he fulfilled his responsibilities by providing advice, etc. on how to strengthen the internal control system and ensure compliance in order to prevent recurrence.</p>			

- Notes:
1. There are no special interests between any of the candidates and the Company.
  2. Matters pertaining to candidates for Outside Director are as follows.
    - (1) Kimiyo Hayashi, Hiroshi Sato, and Koji Baba are candidates for Outside Director.  
The Company has designated these three persons as Independent Officers and notified such designation to the Tokyo Stock Exchange in accordance with the rules of Tokyo Stock Exchange, Inc.
    - (2) Pursuant to Article 427, paragraph (1) of the Companies Act, the Company has entered into limited liability agreements with Kimiyo Hayashi, Hiroshi Sato, and Koji Baba under Article 423, paragraph (1) of the same Act. Limitation on liability to compensate for damages under such an agreement is set out to be the minimum amounts set

forth in the relevant laws and regulations. If the reelection of the three are approved, the Company intends to continue the above limited liability agreement with them.

- (3) Although Kimiyo Hayashi was formerly a member of KPMG AZSA & Co. (currently KPMG AZSA LLC), the accounting auditor of the Company, a significant period of time has passed since she left the said firm (14 years). Accordingly, the Company has determined that the independence of Kimiyo Hayashi is secured.
  - (4) There are business transactions such as borrowings, etc., between the Company and MUFG Bank, Ltd., where Hiroshi Sato served as a corporate auditor and Koji Baba served as a business executive, however, the amount of these borrowings at the end of the most recent fiscal year is small (less than 2.6%) for the consolidated total assets of the Company. Also, 13 years have passed since Hiroshi Sato stepped down from his tenure at said bank and 13 years have passed since Koji Baba departed from his employment at said bank. Therefore, considering the considerable period of time for both cases, the Company has determined that the independence of Hiroshi Sato and Koji Baba is secured.
  - (5) There are business transactions such as providing products, etc., between the Company and Mitsubishi Logisnext Co., Ltd., where Koji Baba served as an Audit and Supervisory Board Member, but the amount of these transactions in the most recent fiscal year is negligible (less than 0.01%) for the consolidated net sales of the Company. Accordingly, the Company has determined that the independence of Koji Baba is secured.
3. The Company has taken out a Directors and Officers liability insurance policy with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act, with all of its Directors covered as insured parties thereto. The insurance policy provides coverage with respect to officers and others who are the insured parties for losses that arise from their assumption of liability incurred in the course of performing their professional duties or otherwise arising as a result of them having become subject to claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion in that, for instance, the policy does not provide coverage for losses arising due to performance of an illegal act with full knowledge of its illegality. In addition, when the insurance policy is renewed, the Company plans to renew the policy with the same terms. All candidates for Director will be listed as insured parties under the insurance policy.

**Proposal 3:** Election of One (1) Substitute Corporate Auditor

The effect of assignment of substitute Corporate Auditor Kei Nishida will expire at the commencement of this meeting. Therefore, we propose the election of one (1) substitute Corporate Auditor to prepare for a situation where the number of Corporate Auditor does not satisfy the number prescribed by laws and regulations.

The candidate for substitute Corporate Auditor has been determined by the Board of Directors based on the recommendation of the Nominating Committee, a majority of which consists of Outside Directors.

The Board of Corporate Auditors has given its consent to this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary	Number of the Company's shares owned
<p style="text-align: center;">Kei Nishida (July 8, 1954) Outside Independent</p>	<p>Apr. 1977      Joined Japan Storage Battery Co., Ltd. (currently GS Yuasa International Ltd.)</p> <p>July 2007      General Manager, Corporate Strategy Management Division, and Head of Public Relations Office, GS Yuasa Corporation</p> <p>June 2008      Corporate Officer, GS Yuasa Corporation</p> <p>June 2009      Director, GS Yuasa Corporation</p> <p>Apr. 2010      Head of the Corporate Office, GS Yuasa Corporation</p> <p>June 2012      Managing Director, GS Yuasa Corporation</p> <p>June 2015      Representative Director and Senior Managing Director, GS Yuasa Corporation</p> <p>June 2018      Representative Director and Executive Vice President, GS Yuasa Corporation</p> <p>June 2020      Consultant, GS Yuasa Corporation (retired in June 2021)</p> <p>June 2021      Outside Director, TOKYO ELECTRON DEVICE LIMITED (present position)</p> <p>[Significant concurrent positions outside the Company] Outside Director, TOKYO ELECTRON DEVICE LIMITED</p>	<p>0 shares</p>
<p>[Reasons for nomination as candidate for substitute Outside Corporate Auditor] Kei Nishida has ample expertise related to corporate management gained through his experience as a senior corporate executive and outside director of listed enterprises. The Company requests his election as a substitute Outside Corporate Auditor in the expectation that he will appropriately execute his duties as Corporate Auditor from his expert perspective drawing on such expertise.</p>		

- Notes:
1. There is no special interest between Kei Nishida, a candidate for substitute Outside Corporate Auditor, and the Company.
  2. Kei Nishida is a candidate for substitute Outside Corporate Auditor. If he is appointed Corporate Auditor, the Company plans to designate Kei Nishida as an Independent Officer and notify such designation to the Tokyo Stock Exchange in accordance with the rules of Tokyo Stock Exchange, Inc.
  3. If Kei Nishida is appointed Corporate Auditor, pursuant to Article 427, paragraph (1) of the Companies Act, the Company intends to enter into a limited liability agreement with him under Article 423, paragraph (1) of the same Act. Limitation on liability to compensate for damages under such an agreement is set out to be the minimum amounts set forth in the relevant laws and regulations.
  4. The Company has taken out a Directors and Officers liability insurance policy with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act, with all of its Corporate Auditors covered as insured parties thereto. The insurance policy provides coverage with respect to officers and others who are the insured parties for losses that arise from their assumption of liability incurred in the course of performing their professional duties or otherwise arising as a result of them having become subject to claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion in that, for instance, the policy does not provide coverage for losses arising due to performance of an illegal act with full knowledge of its illegality. In addition, when the insurance policy is renewed, the Company plans to renew the policy with the same terms. If Kei Nishida is appointed Corporate Auditor, the Company intends to list him as an insured party under the insurance policy.

(Reference) Composition of the Board of Directors and the Board of Corporate Auditors (planned after the conclusion of this meeting)

If Proposal 2 is approved, the composition of the Board of Directors and the Board of Corporate Auditors of the Company will be as below:

Category	Name	Position in the Company	Tenure as Officer	Age	Gender	Nominating Committee	Remuneration Advisory Committee
The Board of Directors	Takayuki Sato	Representative Director and President	Twelve (12) years	63	Male	● (Chair)	● (Chair)
	Tatsuhiko Nagano	Director, Managing Executive Officer	Six (6) years	60	Male	●	●
	Motohiro Yamamoto	Director, Executive Officer	Seven (7) years	60	Male		
	Masayuki Nakatani	Director, Executive Officer	Two (2) years	57	Male		
	Akihiro Miyake	Director, Executive Officer	One (1) year	53	Male		
	Akira Fujiwara	Director, Executive Officer	—	64	Male		
	Kimiyo Hayashi	Director (Outside)	Five (5) years	66	Female	●	●
	Hiroshi Sato	Director (Outside)	Two (2) years	66	Male	●	●
	Koji Baba	Director (Outside)	Two (2) years	66	Male	●	●
The Board of Corporate Auditors	Hideki Sugiura	Full-time Corporate Auditor (Outside)	Three (3) years	58	Male		
	Naoyuki Kimura	Full-time Corporate Auditor	Two (2) years	65	Male		
	Hiroyuki Fujii	Corporate Auditor (Outside)	Ten (10) years	69	Male		

Note: The table above does not represent all of the skills (expertise, experience, and knowledge) possessed by each person.

Category	Name	Position in the Company	Director's or Corporate Auditor's expertise, experience, and knowledge								
			Corporate management	Finance & accounting	Legal, compliance, and risk management	Organization & human resources	Global	Sales & marketing	Technology & product development /production	Environment & society	
The Board of Directors	Takayuki Sato	Representative Director and President	●						●	●	●
	Tatsuhiko Nagano	Director, Managing Executive Officer	●	●	●	●					●
	Motohiro Yamamoto	Director, Executive Officer							●	●	
	Masayuki Nakatani	Director, Executive Officer	●	●							
	Akihiro Miyake	Director, Executive Officer							●	●	
	Akira Fujiwara	Director, Executive Officer							●		
	Kimiyo Hayashi	Director (Outside)		●							
	Hiroshi Sato	Director (Outside)	●	●	●						
	Koji Baba	Director (Outside)		●			●		●		
The Board of Corporate Auditors	Hideki Sugiura	Full-time Corporate Auditor (Outside)		●							
	Naoyuki Kimura	Full-time Corporate Auditor					●		●		
	Hiroyuki Fujii	Corporate Auditor (Outside)			●	●					●

(Reference) Independence Criteria for Outside Officers

The Company deems that Outside Directors and Outside Corporate Auditors (including their candidates) have adequate independence from the Company if they meet the requirements for independence stipulated by the Companies Act and the Tokyo Stock Exchange, and do not fall under any of the following items:

- (1) A person whose major business partner is the Company or the Company's subsidiary ("the Company's Group")<sup>Note 1</sup>, or an executive for that person<sup>Note 2</sup>
- (2) A person who is a major business partner of the Company's Group<sup>Note 3</sup>, or an executive for that person
- (3) A consultant, accounting professional, or legal professional who received ¥10 million or more monetary consideration or other property from the Company's Group in the last fiscal year excluding officer remuneration (if a corporation, association, or other organization received such property, this applies to a person who belongs to that organization)
- (4) A person who received donations of ¥10 million or more from the Company's Group in the last fiscal year, or an executive for that person
- (5) A major shareholder (a shareholder who holds 10% or more of all the voting rights directly or indirectly) of the Company, or an executive for that shareholder
- (6) A person who had fallen under any of (1) to (5) above in the past three (3) years
- (7) A relative within the second degree of a person who falls under any of (1) to (5) above (limited to important persons<sup>Note 4</sup>)

- Notes:
1. "A person whose major business partner is the Company's Group" means a person who is a business partner group providing products or services to the Company's Group and received payments from the Company's Group that represent 2% or more of the person's annual consolidated net sales for the last fiscal year.
  2. "An executive" means an executive as stipulated in Article 2, paragraph (3), item (vi) of the Regulations for Enforcement of the Companies Act, i.e., an executive director, executive officer, or other officer managing the business of a corporation, etc., a member who manages the business, and an employee.
  3. "A person who is a major business partner of the Company's Group" means a person who is a business partner group to which the Company's Group provides products or services and made payments to the Company's Group that represent 2% or more of the Company's Group's annual consolidated net sales for the last fiscal year (in the case of a financial institution from which the Company's Group borrows, the financial institution falls under this category if the amount of borrowings is not negligible for the consolidated total assets of the Company's Group).
  4. "Important persons" mean directors, executive officers, corporate officers, or executives at the level of division heads or higher in the case of (1), (2), (4), and (5), and certified public accountants belonging to an audit corporation or attorneys (including so-called associates) belonging to a law firm in the case of (3).

[Reference] Approach to Cross-shareholdings

The Company will specifically review the appropriateness of its cross-shareholdings in accordance with its “Policy on Cross-shareholdings,” and will continue to seek to reduce its holdings of shares that have become less significant in terms of economic rationality including cost of capital, management strategies, and maintenance and reinforcement of business relationships.

Specifically, at a meeting of the Board of Directors held in December 2023, the Company passed a resolution approving a policy to reduce the amount of investment securities held to less than 10% of its consolidated net assets by the end of March 2025.

Trend of number of issues held and balance sheet amount

In FY2023, the Company sold a total of 11 issues for 1,630 million yen (1,359 million yen gain on sale), however due to the rising share prices of shares in our holdings, the value of total holdings at the end of FY2023 was 15.8% of consolidated net assets.

	139th fiscal year (FY2021)		140th fiscal year (FY2022)		141st fiscal year (FY2023)	
	Number of issues (Issues)	Balance sheet amount (Millions of yen)	Number of issues (Issues)	Balance sheet amount (Millions of yen)	Number of issues (Issues)	Balance sheet amount (Millions of yen)
Listed stocks	37	6,781	35	7,130	25	9,609
Unlisted stocks	21	261	21	260	20	258
Total holdings	58	7,043	56	7,390	45	9,868
Consolidated net assets		51,991		55,210		62,490
Ratio of total holdings to consolidated net assets		13.5%		13.4%		15.8%

[Policy on Cross-shareholdings]

In order to achieve sustainable growth and enhance corporate value, we hold shares in business partners as we deem necessary as part of our management strategy and maintenance and reinforcement of business relationships.

The Board of Directors will periodically review the purpose and economic rationale of each of the Company’s cross-shareholdings from a medium- to long-term perspective every year, and the Company will seek to reduce the number of shares held if their significance has diminished.

[Criteria for Exercise of Voting Rights]

With respect to the exercise of voting rights on cross-shareholdings, the Company will comprehensively consider whether the content of each proposal contributes to the enhancement of the Company’s corporate value and shareholder value, and exercise voting rights after making an appropriate decision for or against the proposal.