

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.

Stock Code: 4116

June 7, 2024

To our shareholders:

Koji Takahashi
Representative Director and President
Dainichiseika Color & Chemicals Mfg. Co., Ltd.
1-7-6 Nihonbashi Bakuro-cho, Chuo-ku, Tokyo

Notice of the 121st Annual General Meeting of Shareholders

We are pleased to announce the 121st Annual General Meeting of Shareholders (the “Meeting”) of Dainichiseika Color & Chemicals Mfg. Co., Ltd. (the “Company”), which will be held as indicated below.

When convening the Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the Meeting, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access one of these websites by using the internet address shown below to review the information.

[The Company’s website]

<https://www.daicolor.co.jp/ir/stock/meeting/index.html>

(in Japanese)

[Website for informational materials for the general meeting of shareholders]

<https://d.sokai.jp/4116/teiji/>

(in Japanese)

[Tokyo Stock Exchange 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 “Dainichiseika” in “Issue name (company name)” or the Company’s securities code “4116” 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].”)

Note that instead of attending in person on the day of the Meeting, your voting rights can be exercised in writing or via the internet, etc. In this case, please review the Reference Documents for the Meeting, refer to Information on Exercising Voting Rights, and exercise your voting rights by **5:30 p.m. on Wednesday, June 26, 2024 (JST)**.

1. Date and Time:	Thursday, June 27, 2024, at 10:00 a.m. (Reception will start at 9:00 a.m.)
2. Venue:	9F SAIHO, Head Office Building of the Company 1-7-6 Nihonbashi Bakuro-cho, Chuo-ku, Tokyo
3. Purpose of the Meeting	
Matters to be reported	
<ol style="list-style-type: none"> 1. Reports on the Business Report and the Consolidated Financial Statements for the 121st fiscal year (from April 1, 2023 to March 31, 2024) and the Audit Reports of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Board 2. Reports on the Non-consolidated Financial Statements for the 121st fiscal year (from April 1, 2023 to March 31, 2024) 	
Matters to be resolved	
Proposal No. 1:	Appropriation of Surplus
Proposal No. 2:	Election of Seven (7) Directors of the Board
Proposal No. 3:	Election of One (1) Substitute Audit & Supervisory Board Member

[Notes on the convocation of the Meeting]

1. If you are attending on the day of the meeting, please present the voting form to the receptionist at the meeting.
2. If you plan to exercise your voting rights in writing, please indicate your approval or disapproval on the voting form and return it to us so that it arrives by the deadline for exercising your voting rights mentioned on the previous page.
3. If you plan to exercise your voting rights via the Internet, please read the Information on Exercising Voting Rights on pages 5 to 6 (in Japanese only), exercise your voting rights by Smart Voting or access the voting website designated by the Company (<https://soukai.mizuho-tb.co.jp/>) and enter your approval or disapproval of the proposals by the deadline for exercising your voting rights as stated on the previous page.
4. If you exercise your voting rights both in writing and via the Internet, the vote exercised via the Internet, etc. shall be deemed valid.
5. If you exercise your voting rights more than once via the Internet, etc., the last exercise shall be deemed valid.
6. If you do not indicate your approval or disapproval of any of the proposals on the enclosed voting form, it will be treated as if you had indicated your “approval” for the Company’s proposal and “disapproval” for the shareholder’s proposal.
7. Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15, paragraph 2 of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.
 - Business Report: System to Ensure the Properness of Operations and the Operational Status of the System, Basic Policy Regarding Control of the Company, and Policy on Decisions on Dividends and Other Appropriation of Surplus
 - Consolidated Financial Statements: Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements
 - Non-Consolidated Financial Statements: Non-Consolidated Statements of Changes in Equity, Notes to Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements included in this document are a part of the target documents that were audited by the Financial Auditor in preparing the financial audit report and by the Audit & Supervisory Board Members in preparing their audit report.

8. In the event of any modifications to the matters subject to measures for electronic provision, a notice will be posted on each of the websites where the information is posted, as well as the information before and after the modifications.
9. A copy of some of the materials to be used at the Meeting will be distributed on Friday, June 28, 2024, at 10:00 a.m. Please visit our website (<https://www.daicolor.co.jp/ir/stock/meeting/index.html>), for using this service.
10. Please contact us in advance (03-3662-7111), if you are a shareholder who requires assistance with a wheelchair or guidance to a seat or restroom.

Notice regarding the acceptance of questions in advance

We are accepting questions from shareholders in advance of the Meeting on our website.

Reception period: Wednesday, June 5, 2024, 9:00 a.m. to Friday, June 21, 2024, 5:30 p.m.

URL for advance questions: <https://www.daicolor.co.jp/inquiry/agm/>

[Points to note]

- Questions are limited to two (2) by only shareholders themselves and the questions must be related to the purpose of the Meeting.
- Please remember to enter the shareholder's name and number so that we can check you against the shareholder register.
- Please note that we do not promise to answer all the questions we receive.
- Please also note that we will not be able to provide individual responses to questions that have not been answered.
- Answers to the questions that we believe will be of interest to our shareholders will be posted on our website after the Meeting.

Reference Documents for the Meeting

Proposal No. 1: Appropriation of Surplus

The Company, based on the perspective of sustainable growth and enhancement of medium- to long-term corporate values, makes it a principle to continuously pursue a dividend policy in which the return of profits to shareholders is regarded as an important management priority, yet with broader consideration to matters such as business development in the future, reinforcement of its operating basis, and enrichment of internal reserves.

As for the year-end dividend for the current fiscal year, in addition to the “ordinary dividend,” the Company proposes to pay a “extraordinary dividend” funded by the gain on transfer of the Company’s Kawaguchi Production Plant scheduled to be recorded in the fiscal year ending March 31, 2025, as follows.

Type of dividend property

Cash

Allotment of dividend property to shareholders and total amount of dividend

¥70 per common stock of the Company (including ordinary dividend of ¥40 and extraordinary dividend of ¥30)
Total amount of dividend: ¥1,200,970,120

Effective date of dividends of surplus

June 28, 2024

- * As the Company has already paid an interim dividend of ¥40 per common stock of the Company, the annual dividend will be ¥110 per common stock of the Company.

Proposal No. 2: Election of Seven (7) Directors of the Board

The terms of office of all eight (8) Directors will expire at the conclusion of the Meeting.

In that regard, the Company proposes the election of seven (7) Directors including three (3) outside Directors to ensure management transparency and further enhance the corporate governance system.

In selecting candidates, the Company has consulted with the Nomination and Remuneration Committee (chaired by an outside Director and composed of a majority of outside Directors) and obtained its report.

The candidates for Director are as follows:

Candidate No.	Name	(Age) Gender	Electoral status	Current position and responsibility in the Company	Status of attendance at Meetings of Board of Directors	Status of attendance at Nomination and Remuneration Committee
1	Koji Takahashi	(63) Male	[Reelection]	Representative Director and President Chief Information Security Officer Nomination and Remuneration Committee Member	100% (13/13)	100% (3/3)
2	Masahiko Aoba	(60) Male	[Reelection]	Managing Director Head of Plant Operation Structure	100% (13/13)	–
3	Osamu Takeda	(65) Male	[Reelection]	Managing Director Head of Business Structure	100% (10/10)	–
4	Taiyo Aoyagi	(52) Male	[New election]	Managing Executive Officer R&D Structure Administrator	–	–
5	Yoshiaki Nakagawa	(69) Male	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Chairperson	100% (13/13)	100% (3/3)
6	Akiko Nagahama	(47) Female	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Member	100% (13/13)	100% (3/3)
7	Susumu Kawase	(76) Male	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Member	100% (13/13)	100% (3/3)

[Reelection] Candidate for reelection as Director

[New election] New candidate for Director

[Outside] Candidate for outside Director

[Independent] Candidate for independent officer

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Koji Takahashi (April 30, 1961) (63 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 26 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (3/3)</p>	<p>July 1993 Joined the Company</p> <p>June 1998 Director</p> <p>June 2000 Executive Managing Director</p> <p>July 2009 Director and Senior Executive Vice-President</p> <p>June 2011 Representative Director and President (Current)</p> <p>June 2014 Office of the President Administrator (Current) Secretarial Office Administrator (Current) Internal Audits Division Administrator (Current) Corporate Product Planning & Control Division Administrator</p> <p>Apr. 2018 Specific Project Promoting Division Administrator</p> <p>Apr. 2019 Business Operations Promotion Office Administrator Environmental Health & Safety Supervisory Office Administrator Quality Products Supervisory Office Administrator</p> <p>June 2020 Group CSR& Risk Management Headquarters (currently CSR/ESG Promote Group Headquarters) Administrator (Current) Chief Information Security Officer (Current)</p>	56,224 shares
<p>Reason for election</p> <p>Koji Takahashi has gained a wealth of practical experience and possesses detailed knowledge of operations in general through his involvement in operations pertaining to general company business from the perspective of management as a member of the Company Group (the "Group"). He is capable of exercising strong leadership in corporate management and business strategy, and he can be sufficiently expected to strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions by fully leveraging that knowledge and experience at meetings of the Board of Directors.</p> <p>Furthermore, as the Company believes that he is a central figure in steadily executing and achieving the new three-year medium-term management plan "TRANSFORMATION for TOMORROW, 2027," and that he can steadily contribute to the enhancement of its corporate value, the Company requests that he be reelected as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Masahiko Aoba (September 5, 1963) (60 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 3 years</p> <p style="text-align: center;">Status of attendance at Meetings of Board of Directors 100% (13/13)</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2019 Executive Officer</p> <p>June 2020 Managing Executive Officer Plant Operation Structure Administrator Plant Operation Headquarters Administrator (Current) Production Plants Administrator Composite Plant Engineering & Planning Division Administrator (Current)</p> <p>June 2021 Director Head of Plant Operation Structure (Current) Plant Operation Structure Administrator of Tokyo, Osaka, Tokai, Kawaguchi, Bando and Sakura Production Plants (Current)</p> <p>June 2023 Managing Director (Current)</p>	4,373 shares
<p>Reason for election</p> <p>Masahiko Aoba excels in human resource placement and development skills, refined through working with numerous subordinate employees, not to mention that he is well versed in operations related to production activities. This is due to his experience as a pigment development engineer, his management skills cultivated through his overseas assignments in pigment manufacturing and his wealth of operational experience accumulated through serving as Plant General Manager of our main plants, Tokai Production Plant (Iwata-shi, Shizuoka), Tokyo Production Plant (Adachi-ku, Tokyo), and Bando Production Plant (Bando-shi, Ibaraki) as a member of the Group.</p> <p>He can be sufficiently expected to strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions based on the delegation of Plant Operations Structure Head and Human Resources Strategy Structure Head duties to him and his leverage of that knowledge and experience at meetings of the Board of Directors.</p> <p>Furthermore, as the Company believes that he is an indispensable human resource for steadily executing and achieving the new three-year medium-term management plan "TRANSFORMATION for TOMORROW, 2027," and that he can steadily contribute to the enhancement of its corporate value, the Company requests that he be reelected as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;">Osamu Takeda (November 19, 1958) (65 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 1 year</p> <p>Status of attendance at Meetings of Board of Directors 100% (10/10)</p>	<p>Apr. 1981 Joined the Company</p> <p>Apr. 2016 Executive Officer</p> <p>June 2020 Managing Executive Officer Business Structure Administrator Plastic Colors No.2 Division Administrator Coating Material Division Administrator (Current) Advanced Polymers Division Administrator (Current)</p> <p>June 2021 Gravure Inks Division Administrator (Current)</p> <p>June 2022 Senior Managing Executive Officer</p> <p>June 2023 Managing Director (Current) Head of Business Structure (Current) Business Structure Pigments Division Administrator (Current) New Business Development Division Administrator (Current) Offset Inks Division Administrator (Current)</p> <p>[Significant concurrent positions outside the Company] Director of Futaba Paint Co., Ltd.</p>	4,044 shares
<p>Reason for election</p> <p>Osamu Takeda has served as Advanced Polymers Division Administrator and Gravure Inks Division Administrator, and as a Head of Business Structure, he has supervised the execution of operations in all business divisions, and has a wealth of experience and a thorough understanding of all business operations as a member of the Group. He can be sufficiently expected to strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions based on the delegation of Business Structure Head duties to him and his leverage of that knowledge and experience at meetings of the Board of Directors.</p> <p>Furthermore, as the Company believes that he is an indispensable human resource for steadily executing and achieving the new three-year medium-term management plan "TRANSFORMATION for TOMORROW, 2027," and that he can steadily contribute to the enhancement of its corporate value, the Company requests that he be reelected as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;">Taiyo Aoyagi</p> <p style="text-align: center;">(September 22, 1971) (52 full years of age) / Male</p> <p style="text-align: center;">[New election]</p>	<p>Apr. 1999 Joined the Company</p> <p>Apr. 2019 Executive Officer</p> <p>June 2020 Managing Executive Officer (Current) R&D Structure Administrator Organic Synthesis Research Division Administrator Application Research Division Administrator Technical Coordination Division Administrator (Current)</p> <p>June 2022 R&D Structure Application Research No.1 Division Administrator (Current) Application Research No.2 Division Administrator (Current)</p> <p>June 2023 R&D Structure Organic Synthesis Research No.1 Division Administrator (Current) Organic Synthesis Research No.2 Division Administrator (Current)</p>	1,823 shares
<p>Reason for election</p> <p>Taiyo Aoyagi has abundant business experience, including experience as a head of research and development divisions that support the Company's products, and is well versed in operations related to technological development and management as a member of the Group. He can be sufficiently expected to strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions based on the delegation of R&D Structure Head duties to him and his leverage of that knowledge and experience at meetings of the Board of Directors. Furthermore, as the Company believes that he is an indispensable human resource for steadily executing and achieving the new three-year medium-term management plan "TRANSFORMATION for TOMORROW, 2027," and that he can steadily contribute to the enhancement of its corporate value, the Company requests that he be newly elected as a Director candidate.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p>Yoshiaki Nakagawa (February 2, 1955) (69 full years of age) / Male</p> <p>[Reelection] [Outside] [Independent]</p> <p>Period served as Director 3 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (3/3)</p>	<p>Apr. 1978 Joined Japan Ground Self Defense Force (GSDF), Defense Agency (currently Ministry of Defense)</p> <p>Dec. 2000 Director of OBIHIRO Prefectural Liaison Office, GSDF</p> <p>Mar. 2002 Chief of Career Transition Division, Personnel Department, Ground Staff Office</p> <p>Mar. 2004 Deputy Chief of Staff of Northern Army HQ (Sapporo)</p> <p>Mar. 2006 Director of Public Affairs, Joint Staff Office</p> <p>July 2007 Chief of Staff of Middle Army HQ and Commander of Itami Station</p> <p>Dec. 2009 Commanding General of 1st Division (Nerima)</p> <p>Apr. 2011 Commanding General of GSDF Research & Development Command</p> <p>Aug. 2013 Resigned from GSDF</p> <p>Nov. 2013 Advisor of Komatsu Ltd.</p> <p>Feb. 2020 Resigned from Komatsu Ltd.</p> <p>Apr. 2020 Advisor of DENKOSHA Corporation (Current)</p> <p>June 2021 Outside Director of the Company (Current)</p>	0 shares
<p>Reason for election and overview of expected roles</p> <p>The Company has judged that given Yoshiaki Nakagawa's wealth of experience and broad insight, the product of engaging in organizational operation and management for several years as a Japan Ground Self Defense Force general officer coupled with the leverage of that experience in his service as an advisor to an operating company, he can be expected to provide useful advice on corporate activities of the Group, including its organizational operation and corporate governance, from an extensive and advance perspective, and requests that he be once again elected as an outside Director. Although he has served as an advisor to Komatsu Ltd. and is currently an advisor to DENKOSHA Corporation, there are no specific transactions between these companies and the Group.</p> <p>If he is elected, he will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors and Executive Officers with Title of Responsibility.</p> <p>He has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p>Akiko Nagahama (September 30, 1976) (47 full years of age) / Female</p> <p>[Reelection] [Outside] [Independent]</p> <p>Period served as Director 3 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (3/3)</p>	<p>Nov. 2005 Passed the National Law Examination in Japan</p> <p>Dec. 2007 Graduated from the Legal Training and Research Institute of the Supreme Court of Japan Registered as an attorney-at-law with the Tokyo Bar Association Joined Law Office of Yamaguchi, Nagahama & Mizuno (currently Law office of Nagahama, Mizuno & Inoue) (Current)</p> <p>June 2021 Outside Director of the Company (Current)</p> <p>June 2022 Outside Auditor of NOHMI BOSAI LTD. (Current)</p> <p>[Significant concurrent positions outside the Company] Outside Auditor of NOHMI BOSAI LTD.</p>	0 shares
<p>Reason for election and overview of expected roles</p> <p>The Company has judged that given Akiko Nagahama's specialized knowledge and experience as an attorney, particularly her strong familiarity with compliance and corporate legal affairs in general, she can be expected to contribute to the strengthening of legal risk management and corporate governance in the Group, and requests that she be once again elected as an outside Director. Although the Group may seek legal advice from Law Office of Nagahama, Mizuno & Inoue, with which she is affiliated, the amount of transaction in the most recent fiscal year was less than 1 million yen, which is less than 1% of consolidated sales of the Group and sales of the law office. There are no specific transactions between NOHMI BOSAI LTD., for which she serves as an Outside Auditor, and the Group.</p> <p>If she is elected, she will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors and Executive Officers with Title of Responsibility.</p> <p>She has never been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an outside Director based on the above reasons.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p style="text-align: center;">Susumu Kawase (February 7, 1948) (76 full years of age) / Male</p> <p style="text-align: center;">[Reelection] [Outside] [Independent]</p> <p style="text-align: center;">Period served as Director 2 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (3/3)</p>	<p>Apr. 1978 Joined Soken Chemical & Engineering Co., Ltd.</p> <p>June 2001 Director, Head of R&D Center</p> <p>June 2005 Managing Director, Head of R&D Center</p> <p>Oct. 2005 Managing Director</p> <p>Apr. 2007 Managing Director, Business Manager of Sayama Plant</p> <p>June 2008 Director, Executive Vice President and Business Manager of Sayama Plant</p> <p>Apr. 2010 Director, Executive Vice President</p> <p>June 2011 Executive Advisor</p> <p>June 2013 Resigned from Soken Chemical & Engineering Co., Ltd.</p> <p>Apr. 2014 Co-Manager of Senior Chemical Engineers Network, Center for Academia-industry Exchange, the Society of Chemical Engineers, Japan (Current)</p> <p>June 2022 Outside Director of the Company (Current)</p> <p>[Significant concurrent positions outside the Company] Co-Manager of Senior Chemical Engineers Network, Center for Academia-industry Exchange, the Society of Chemical Engineers, Japan</p>	0 shares
<p>Reason for election and overview of expected roles</p> <p>Susumu Kawase has served as Director, Executive Vice President of Soken Chemical & Engineering Co., Ltd. The Company has judged that, with the leverage of his wealth of experience and broad insight gained as a corporate manager of the company, he can be expected to facilitate the further strengthening and enhancement of the Company's management framework, including the strengthening of the supervisory functions of the Board of Directors. Since he has served as the company's Managing Director, Head of R&D Center, Director, Executive Vice President and Business Manager of Sayama Plant as well, he can also be expected to provide useful advice on the Group's corporate activities based on his knowledge and experience of technological development, production activities, etc. As such, the Company requests that he be once again elected as an outside Director. Although the Group has transactions with Soken Chemical & Engineering Co., Ltd., they account for less than 1% of the Group's annual sales and are therefore minimal.</p> <p>If he is elected, he will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors and Executive Officers with Title of Responsibility.</p>			

- (Notes)
1. There is no special interest between each of the candidates and the Company.
 2. Yoshiaki Nakagawa, Akiko Nagahama, and Susumu Kawase are candidates for outside Directors of the Board.
 3. The Company has submitted notification to Tokyo Stock Exchange Inc. that Yoshiaki Nakagawa, Akiko Nagahama, and Susumu Kawase have been designated as independent officers as provided for by the aforementioned exchange.
 4. Regarding limited liability contracts with outside Directors

In Article 27, paragraph 2 of the Articles of Incorporation, the Company has set forth its ability to execute contracts with outside Directors that limit their liability for the compensation for damages due to them neglecting their duties so that outside Directors can fully demonstrate the roles expected of them, and has entered into a limited liability contract with Yoshiaki Nakagawa, Akiko Nagahama, and Susumu Kawase. If the reelection of Yoshiaki Nakagawa, Akiko Nagahama, and Susumu Kawase as Directors is approved, they will continue to hold such contracts.

An outline of the content of that contract is as follows.

- (i) Should the Company incur liability for the compensation of damages due to outside Directors neglecting their duties, the Company will incur said liability to the extent of the minimum liability amount under Article 425, paragraph (1) of the Companies Act.
 - (ii) The above limit on liability shall be limited to instances where the performance of duties by outside Directors serving as the cause of said duties was with good intentions and without gross negligence.
5. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract prescribed in Article 430-3, paragraph (1) of the Companies Act with insurance companies. An overview of the content of said insurance contract is as stated in the Business Report “3 Matters Concerning Company Officers (3) Overview of Content of Directors and Officers Liability Insurance Contract” (in Japanese only). When the election of a Director candidate is approved, said candidate will be included among the insured under said insurance contract. Additionally, said insurance contract is scheduled to be renewed with the same content upon the next timing of renewal as well.

<Reference>

The Nomination and Remuneration Committee (composed of three (3) or more Directors with a majority of outside Directors) submits a proposal to the Board of Directors for resolution after consulting and reporting in light of the below criteria regarding the nomination of candidates for Director and the election and dismissal of senior management.

1. The candidate has no interests, etc. that serve to affect the performance of his/her duties as a Director.
2. The candidate possesses considerable vitality to perform his/her duties as a Director.
3. The candidate possesses considerable personal magnetism, dignity and ethics.
4. The candidate possesses advanced management knowledge and superior levels of objective judgment capability, foresight, etc.
5. The candidate possesses other qualities sought of a Director from the standpoint of corporate governance-building.

For the nomination of outside Directors, in addition to the above policy, candidates must separately satisfy the following criteria.

1. The candidate possesses considerable insight into their particular field of origin.
2. The candidate is capable of making accurate advice and recommendations from an independent position based on the standpoints of appropriateness and adequateness upon decision-making by the Board of Directors.
3. The candidate satisfies criteria for ensuring the independence of an outside Director.

In addition, the Company designates all outside Directors who meet the qualifications for independent officers as independent officers.

[Criteria for judging the independence of independent officers]

A person for which none of the following applies:

1. A person who executes the business of a major business partner of the Company (*) or a person who executes the business of a company whose major business partner is the Company (officer, general manager class, the same applies below)
 - * Major business partner means a business partner for which any of the following applies.
 - (1) Sales to such business partner must account for more than 2% of the Company's annual consolidated sales.
 - (2) The nature of transactions with the business partner is the provision of goods and services that are indispensable to the Company's business activities.
2. Consultants, lawyers, or certified public accountants who receive a large amount of remuneration (10 million yen or more per year) from the Company other than remuneration as officers
(if the person receiving such remuneration is a corporation, partnership, or other organization, a lawyer or certified public accountant who belongs to such organization)
3. A person who has recently (*) fallen under 1 or 2 above.
 - * The term "recently" means the period from the date on which the contents of the proposal at the general meeting of shareholders to elect the independent officer as an outside officer were decided to the present.
4. Close relatives (spouse or relatives within the second degree of kinship or living together) of the following persons
 - a. Person under 1 to 3 above
 - b. A person who executes the business of a subsidiary (for outside Audit & Supervisory Board Members, this includes Directors who do not execute the business of the subsidiary)
 - c. A person who has recently been a person who executes the business of the company or its subsidiary (for outside Audit & Supervisory Board Members, this includes Directors who do not execute business)
5. In addition to 1 through 4 above, a person who has circumstances that reasonably determine that the person is unable to fulfill the duties of an independent officer

<Reference> Skill matrix of Directors

The skill matrix for Directors of the Company should Proposal No. 2 be approved and adopted is as follows.

Name	Position	Knowledge/Experience/Skills and Fields expected									
		Corporate management/ Business strategy/Leadership	CSR/ESG/ Compliance	Finance/ Accounting/ Tax affairs	IT/ Information systems	Personnel affairs/ Labor affairs/ Human resource development	Technological development/ Technological development management	SCM /Logistics	Industry and industry trends/ Marketing/ New businesses	Supply/ Manufacturing	Internationality/ Diversity
Koji Takahashi	Representative Director and President	●	●	●	●						●
Masahiko Aoba	Representative Executive Director	●				●	●	●		●	●
Osamu Takeda	Executive Managing Director	●						●	●		●
Taiyo Aoyagi	Director				●		●		●		●
Yoshiaki Nakagawa	Outside Director	●	●			●	●				●
Akiko Nagahama	Outside Director		●			●					●
Susumu Kawase	Outside Director	●	●				●		●	●	

<Reference> Details of each skill and reasons for selection

In consideration of social and management issues, the Dainichiseika Group recognizes that the skills expected by stakeholders from the Board of Directors are as follows, taking into account the composition and balance, etc. of the Board of Directors.

Skills	Details
Corporate management/ Business strategy/Leadership	In order to increase corporate value over the medium to long term, it is important to be able to identify risks and opportunities in corporate management in a timely manner and put them into action. We have therefore selected as necessary items the ability to solve problems based on a wealth of experience and knowledge for appropriate decision-making, and the leadership skills to reliably transform intentions into strength.
CSR/ESG/Compliance	In order to realize a sustainable society, we recognize that gaining the trust of stakeholders as a member of that society will increase the corporate value of the Dainichiseika Group, and have selected skills related to CSR, ESG, and Compliance as necessary items.
Finance/Accounting/ Tax affairs	We consider the provision of timely and appropriate financial information and efficient management of capital to be important management issues, and have selected the skills related to ensuring the credibility of financial information, developing financial strategies based on accurate and appropriate analysis, and handling tax compliance as a risk as necessary items.
IT/ Information systems	In an advanced information society, data analysis based on the accuracy and freshness of information and the secure and appropriate sharing of information assets have been selected as important skills based on the recognition that they are the foundation for improving operational efficiency and strategy formulation.
Personnel affairs/ Labor affairs/ Human resource development	The Dainichiseika Group considers “human resources” to be its most important management resource. Based on the recognition that it is essential to improve the skills of each employee and to foster a corporate culture full of vitality in which innovation can flourish, we have selected skills related to personnel strategies, labor measures, and human resource development as necessary items.
Technological development/ Technological development management	Skills related to technology development, technology development management, and market development have been selected as necessary items to further deepen and develop the core technologies cultivated by the Dainichiseika Group and to innovate in the areas defined as continuing development fields and new development fields.
SCM/Logistics	We have selected this as a necessary item because we recognize that rationalization of time and costs is an important issue while safely and appropriately operating the supply chain from procurement of raw materials to manufacturing, sales, and delivery of products.
Industry and industry trends/ Marketing/New businesses	We recognize that accurately understanding the Dainichiseika Group’s position in the market and selecting areas in which to focus and invest the strengths of the Dainichiseika Group are important issues that directly affect revenue, and we have selected these as necessary items.
Supply/Manufacturing	As a manufacturing company, we have selected these as necessary items based on the recognition that environmental considerations, safety and efficiency of manufacturing sites, and maintenance and management of profitability, while fulfilling our responsibility to supply products in terms of safety, stability, and continuity, are essential conditions for continuously increasing our corporate value.
Internationality/Diversity	Based on the recognition of the need for balanced progress in business development overseas, in addition to the ability to gather information for regional strategies, management and compliance responses based on sufficient knowledge, experience, and understanding of different cultures are required, and skills related to internationality and diversity have been selected as necessary items.

Proposal No. 3: Election of One (1) Substitute Audit & Supervisory Board Member

The Company requests approval for the election of one (1) substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

In addition, prior consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Shuichiro Ikari (January 2, 1960) (64 full years of age) / Male</p> <p style="text-align: center;">[Outside] [Independent]</p>	<p>Apr. 1978 Joined Tokyo Regional Taxation Bureau</p> <p>June 2002 Obtained the Certificate of Tax Accountant</p> <p>July 2016 District Director of Fujisawa Tax Office</p> <p>July 2019 Assistant Regional Commissioner of the Fourth Large Enterprise Department</p> <p>July 2020 Resigned from Tokyo Regional Taxation Bureau</p> <p>Aug. 2020 Opened Ikari Tax Accountant Office (Current)</p> <p>Apr. 2021 Advisor Tax Accountant of the Company (Current)</p> <p>June 2021 Substitute Audit & Supervisory Board Member of the Company (Current)</p> <p>Dec. 2021 Outside Auditor of STEP CO., LTD (Current)</p> <p>June 2023 Outside Director of Central General Development Co., Ltd. (Current)</p> <p>[Significant concurrent positions outside the Company] Outside Auditor of STEP CO., LTD Outside Director of Central General Development Co., Ltd.</p>	0 shares
<p>Reason for election</p> <p>As Shuichiro Ikari has held successive key posts at Regional Taxation Bureau, is strongly familiar with finance and accounting through his work experience as a tax accountant and possesses ample insight into operations and accounting audits, he can be expected to adequately perform his duties as an Audit & Supervisory Board Member. The Company therefore requests that he be elected as a substitute outside Audit & Supervisory Board Member candidate.</p> <p>He has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Audit & Supervisory Board Member based on the above reasons.</p> <p>Although the Company has entered into an advisory contract with him, the advisory fee paid to him for the most recent fiscal year was less than 3 million yen, which is less than 1% of the Group's consolidated sales and is therefore insignificant.</p>		

- (Notes)
1. There is no special interest between the candidate and the Company.
 2. Shuichiro Ikari is a candidate for substitute outside Audit & Supervisory Board Member.
 3. Regarding limited liability contracts with outside Audit & Supervisory Board Members

In Article 36, paragraph 2 of the Articles of Incorporation, the Company has set forth its ability to execute contracts with outside Audit & Supervisory Board Members that limit their liability for the compensation for damages due to them neglecting their duties so that outside Audit & Supervisory Board Members can fully demonstrate the roles expected of them. Based on the above, in the case that he assumes the post of Audit & Supervisory Board Member, a limited liability contract is scheduled to be executed between him and the Company in his capacity as an outside Audit & Supervisory Board Member.

An outline of the content of that contract is as follows.

- (i) Should the Company incur liability for the compensation of damages due to outside Audit & Supervisory Board Members neglecting their duties, the Company will incur said liability to the extent of the minimum liability amount under Article 425, paragraph (1) of the Companies Act.
 - (ii) The above limit on liability shall be limited to instances where the performance of duties by outside Audit & Supervisory Board Members serving as the cause of said duties was with good intentions and without gross negligence.
4. The Company has received a letter from Shuichiro Ikari stating that if he assumes the post of outside Audit & Supervisory Board Member, tax accountant consulting contract between him and the Company will be dissolved.
 5. Shuichiro Ikari satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange Inc. and the Company plans to submit notification to the aforementioned exchange concerning his designation as an independent officer should he assume the post of outside Audit & Supervisory Board Member.
 6. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract prescribed in Article 430-3, paragraph (1) of the Companies Act with insurance companies. An overview of the content of said insurance contract is as stated in the Business Report “3 Matters Concerning Company Officers (3) Overview of Content of Directors and Officers Liability Insurance Contract” (in Japanese only). If Shuichiro Ikari is appointed as an outside Audit & Supervisory Board Member, he will be included among the insured under said insurance contract. Additionally, said insurance contract is scheduled to be renewed with the same content upon the next timing of renewal as well.