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(Stock Exchange Code: 3880)  
June 11, 2024  
(Electronically available from June 4, 2024)

**To Our Shareholders:**

Yorifusa Wakabayashi  
President and Representative Director  
Daio Paper Corporation  
2-60, Mishimakamiya-cho, Shikokuchuo City,  
Ehime Prefecture

**NOTICE OF  
THE 113TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby announce that the 113th Annual General Meeting of Shareholders of Daio Paper Corporation (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision and posted the matters subject to the measures for electronic provision on the following websites.

The Company’s website <https://www.daio-paper.co.jp/en/ir/stock/meeting/>

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

On the Tokyo Stock Exchange website, please perform a search by entering the Company name or stock exchange code (3880), and select “Basic Information” and then “Documents for public inspection/PR information” to view the information.

**If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to the measures for electronic provision and exercise your voting rights no later than 5:30 p.m. on Tuesday, June 25, 2024, Japan time.**

- 1. Date and Time:** Wednesday, June 26, 2024 at 10:00 a.m. Japan time  
(Reception starts and doors open at 9:10 a.m.)
- 2. Place:** Convention Hall on the 8th floor of Shikoku Headquarters & Production Center of the Company  
628 Mishimakamiya-cho, Shikokuchuo City, Ehime Prefecture, Japan
- 3. Meeting Agenda:**  
**Matters to be Reported:**
  1. Business Report, Consolidated Financial Statements, and Results of the Audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the Company’s 113th Fiscal Year (April 1, 2023 - March 31, 2024)
  2. Non-Consolidated Financial Statements for the Company’s 113th Fiscal Year (April 1, 2023 - March 31, 2024)

**Proposals to be Resolved:**

**Proposal 1: Appropriation of Surplus**

**Proposal 2: Election of Ten (10) Directors**

**Proposal 3: Election of Four (4) Audit & Supervisory Board Members**

- Of the matters subject to the measures for electronic provision, the matters listed below are posted on the websites above pursuant to laws and regulations and the provisions of the Company's Articles of Incorporation, and are not included in this document. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audits that include the following matters.
  - The Company's Systems and Policies, which is part of the Business Report
  - The Consolidated Statement of Changes in Equity and the Notes to Consolidated Financial Statements of the Consolidated Financial Statements
  - The Non-Consolidated Statement of Changes in Equity and the Notes to Non-Consolidated Financial Statements of the Non-Consolidated Financial Statements
- If the matters subject to the measures for electronic provision are amended, amended items will be announced on the websites above.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company regards the return of profits to all of its shareholders as one of its top management priorities, and its basic dividend policy is to continue making stable dividend payments, while taking into consideration factors such as the state of its business and the sufficiency of internal reserves.

For the fiscal year ended March 31, 2024, taking into consideration the Company's business performance and financial position, among other factors, we propose a year-end dividend of ¥9.00 (annual dividend of ¥16.00) per common share of the Company.

#### Matters relating to year-end dividends

- |   |   |   |
|---|---|---|
| 1 | Dividend type   | Cash  |
| 2 | Dividend allocation and total dividend payment        | We propose a year-end dividend of ¥9.00 per common share of the Company.<br>The total amount of dividends will be ¥1,508,657,868. |
| 3 | Effective date of distributing dividends from surplus | We propose that the effective date of distributing dividends from surplus be June 27, 2024.                                       |

**Proposal 2: Election of Ten (10) Directors**

The terms of all twelve (12) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, in order to make the management structure even more efficient, we propose the reduction of two (2) Directors and the election of ten (10) Directors.

The candidates for Director are as follows:

Candidate No.	Name	Gender	Attributes	Current position, etc. at the Company
1	Yorifusa Wakabayashi	Male	Re-appointment	President and Representative Director Chief Executive Officer
2	Hiroshi Yamasaki	Male	Re-appointment	Director Managing Executive Officer
3	Atsushi Ishida	Male	Re-appointment	Director Managing Executive Officer
4	Hiroyuki Fujita	Male	Re-appointment	Director Managing Executive Officer
5	Toshikatsu Tanahashi	Male	Re-appointment	Director Managing Executive Officer
6	Shuhei Shinagawa	Male	Re-appointment	Director Managing Executive Officer
7	Naosuke Oda	Male	Re-appointment Outside Director Independent Director	Outside Director
8	Yoichi Takei	Male	Re-appointment Outside Director Independent Director	Outside Director
9	Makoto Horie	Male	New appointment Outside Director Independent Director	—
10	Takako Masai	Female	New appointment Outside Director Independent Director	—

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Yorifusa Wakabayashi</p> <p>August 13, 1961 (Age 62)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Period of service as Director: 7 years</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1984      Joined the Company</p> <p>January 2012    Executive Officer, General Manager of Newsprint Sales Division, the Company</p> <p>April 2016      Executive Officer, General Manager of Paper Sales Division, the Company</p> <p>June 2017      Director, General Manager of Home &amp; Personal Care Domestic Business Group, the Company</p> <p>July 2018      Director and Managing Executive Officer, General Manager of Home &amp; Personal Care Domestic Business Group, the Company</p> <p>April 2019      Director and Managing Executive Officer, General Manager of Domestic Business Group, Home &amp; Personal Care Unit, the Company</p> <p>April 2021      President and Representative Director, Chief Executive Officer, Supervising Home &amp; Personal Care Unit, the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Yorifusa Wakabayashi has engaged in the paper business, the finance division, household paper products business, etc. After serving as Director, and Director and Managing Executive Officer, he currently serves as President and Representative Director, Chief Executive Officer. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	12,300 shares
2	<p>Hiroshi Yamasaki</p> <p>March 10, 1962 (Age 62)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Period of service as Director: 11 years</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1984      Joined the Company</p> <p>June 2012      Executive Officer, Acting General Manager of Mishima Mill, Production Division, the Company</p> <p>June 2013      Director, General Manager of Resource and Material Division, the Company</p> <p>July 2016      Director, General Manager of Resource and Material Procurement Division, the Company</p> <p>May 2017      Director, Deputy General Manager of Production Division and General Manager of Mishima Mill, the Company</p> <p>April 2019      Director, Deputy General Manager of Production Division, Production Unit and General Manager of Mishima Mill, the Company</p> <p>April 2021      Director, Managing Executive Officer Responsible for Production Unit; General Manager of Production Division, the Company</p> <p>June 2023      Director, Managing Executive Officer, General Manager of Resources and Procurement Division, and General Manager of Sustainability Promotion Division, Corporate Unit, the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Hiroshi Yamasaki has engaged mainly in the production division and procurement division. He currently serves as Director, Managing Executive Officer, General Manager of Resources and Procurement Division, and General Manager of Sustainability Promotion Division, Corporate Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	8,200 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
3	<p>Atsushi Ishida</p> <p>March 6, 1967 (Age 57)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Period of service as Director: 3 years</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1991      Joined the Company</p> <p>July 2018      Executive Officer, General Manager of Containerboard and Corrugated Container Business Group, the Company</p> <p>June 2019      Senior Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper &amp; Paperboard Unit, the Company</p> <p>April 2021      Managing Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper &amp; Paperboard Unit, the Company</p> <p>June 2021      Director, Managing Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper &amp; Paperboard Unit, the Company</p> <p>May 2023      Director, Managing Executive Officer, General Manager of Paper and Paperboard Business Group, Paper &amp; Paperboard Unit, the Company</p> <p>June 2023      Director, Managing Executive Officer, General Manager of Paper and Paperboard Business Group, Paper &amp; Paperboard Unit, and Responsible for Intelligence Technology Planning Division, Corporate Unit, the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Atsushi Ishida has mainly engaged in the paper and paperboard business, and currently serves as Director, Managing Executive Officer, General Manager of Paper and Paperboard Business Group, Paper &amp; Paperboard Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	6,200 shares
4	<p>Hiroyuki Fujita</p> <p>November 22, 1964 (Age 59)</p> <p>Attendance record at the Board of Directors meeting: 91% (11/12)</p> <p>Period of service as Director: 1 year</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1987      Joined the Company</p> <p>June 2015      Executive Officer, the Company President and Representative Director, Elleair International (Thailand) Co., Ltd.</p> <p>July 2018      Executive Officer, General Manager of Paper Business Group, the Company</p> <p>June 2019      Director, General Manager of Newsprint and Paper Business Group, Paper &amp; Paperboard Unit, the Company</p> <p>July 2020      Director, the Company Chairman and Director, Santher-Fábrica de Papel Santa Therezinha S.A.</p> <p>June 2021      Managing Executive Officer, the Company Chairman and Director, Santher-Fábrica de Papel Santa Therezinha S.A.</p> <p>June 2023      Director, Managing Executive Officer, General Manager of Domestic Business Group, Home &amp; Personal Care Unit, the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Hiroyuki Fujita has mainly engaged in the household paper products business, paper and paperboard business, etc., and currently serves as Managing Executive Officer and General Manager of Domestic Business Group, Home &amp; Personal Care Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies, including those overseas.</p>	3,600 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
5	<p>Toshikatsu Tanahashi</p> <p>February 25, 1967 (Age 57)</p> <p>Attendance record at the Board of Directors meeting: 100% (12/12)</p> <p>Period of service as Director: 1 year</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1989      Joined Nagoya Pulp Co., Ltd. (currently Kani Mill of the Company)</p> <p>April 2019      Executive Officer, Acting General Manager of Mishima Mill, Production Division, Production Unit, the Company (in charge of H &amp; PC Paper Products)</p> <p>July 2019        Executive Officer, Assistant General Manager of Mishima Mill, Production Division, Production Unit, the Company (in charge of Manufacturing Group)</p> <p>April 2021      Senior Executive Officer, Deputy General Manager of Production Division, Production Unit and General Manager of Mishima Mill, the Company</p> <p>April 2023      Managing Executive Officer, Deputy General Manager of Production Division, Production Unit and General Manager of Mishima Mill, the Company</p> <p>June 2023      Director, Managing Executive Officer Responsible for Production Unit, General Manager of Production Division, and General Manager of Mishima Mill, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Toshikatsu Tanahashi has engaged mainly in the Production Division and currently serves as Director, Managing Executive Officer Responsible for Production Unit, General Manager of Production Division, and General Manager of Mishima Mill. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	6,100 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
6	<p>Shuhei Shinagawa</p> <p>August 11, 1970 (Age 53)</p> <p>Attendance record at the Board of Directors meeting: 100% (12/12)</p> <p>Period of service as Director: 1 year</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1994      Joined the Company</p> <p>April 2019      Executive Officer, General Manager of Corporate Planning Group, Corporate Planning Division, Corporate Unit, the Company</p> <p>April 2021      Senior Executive Officer, General Manager of Corporate Planning Group, Corporate Planning Division, Corporate Unit, the Company</p> <p>June 2021      Senior Executive Officer, General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>July 2022      Managing Executive Officer, General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>June 2023      Director, Managing Executive Officer, General Manager of Corporate Planning Division and General Manager of Business Administration Division, Corporate Unit, the Company</p> <p>April 2024      Director, Managing Executive Officer, General Manager of Corporate Planning Division and General Manager of Business Administration Division, and Responsible for Intellectual Property Department, Corporate Unit, the Company</p> <p>June 2024      Director, Managing Executive Officer, General Manager of Corporate Planning Division and General Manager of Business Administration Division, Responsible for Intellectual Property Department, and Responsible for Corporate Policy Department, Corporate Unit, the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Shuhei Shinagawa has engaged mainly in the administration division, and currently serves as Director, Managing Executive Officer, General Manager of Corporate Planning Division and General Manager of Business Administration Division, Corporate Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	7,100 shares



Candidate No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
7	<p>Naosuke Oda</p> <p>June 3, 1953 (Age 71)</p> <p>Attendance record at the Board of Directors meeting: 93% (14/15)</p> <p>Period of service as Director: 2 years</p> <p>&lt;Re-appointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p>April 1977      Joined NKK Corporation (current JFE Steel Corporation)</p> <p>April 2000      Management Staff, Automobile Steel Sales Department, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>February 2002    Manager, Steel Integration Promotion Team, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>May 2002        General Manager, Corporate Planning Department, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>April 2003      General Manager, Corporate Planning Division, JFE Holdings, Inc.</p> <p>April 2004      General Manager, Automobile Steel Sales Department, JFE Steel Corporation</p> <p>April 2007      Vice President (Sales Division), JFE Steel Corporation</p> <p>April 2010      Senior Vice President (Sales Division), JFE Steel Corporation</p> <p>April 2012      Representative Director and Executive Vice President (Supervising Sales Division), JFE Steel Corporation</p> <p>April 2016      Representative Director and President, JFE Shoji Corporation</p> <p>June 2017      Representative Director and President, JFE Shoji Corporation Director, JFE Holdings, Inc.</p> <p>April 2021      Senior Adviser, JFE Shoji Corporation</p> <p>June 2022      Outside Director, the Company (current position)</p> <p>April 2023      Adviser, JFE Shoji Corporation (current position)</p> <p>[Significant concurrent positions] Adviser, JFE Shoji Corporation</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Mr. Naosuke Oda again as a candidate for Outside Director because it expects that by leveraging his wealth of experience and extensive insight gained through his career as Representative Director and President and in other executive positions of other companies, he will provide advice and make proposals from an independent standpoint to contribute to enhancing the Company's corporate value.</p>	0 shares
8	<p>Yoichi Takei</p> <p>June 10, 1961 (Age 62)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Period of service as Director: 4 years</p> <p>&lt;Re-appointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p>April 1993      Registered as an attorney at law (Dai-Ichi Tokyo Bar Association) Joined Iwata Godo</p> <p>April 2000      Partner of Meitetsu Law Offices (current position)</p> <p>June 2003      Outside Audit &amp; Supervisory Board Member of NIPPON THOMPSON CO., LTD.</p> <p>June 2006      Outside Audit &amp; Supervisory Board Member of YAMAKIN (JAPAN) CO., LTD. (current position)</p> <p>June 2013      Outside Director of NIPPON THOMPSON CO., LTD. (current position)</p> <p>June 2020      Outside Director of the Company (current position)</p> <p>January 2022    Outside Audit &amp; Supervisory Board Member of Nippon Export and Investment Insurance (NEXI) (current position)</p> <p>[Significant concurrent positions] Partner of Meitetsu Law Offices Outside Director of NIPPON THOMPSON CO., LTD. Outside Audit &amp; Supervisory Board Member of YAMAKIN (JAPAN) CO., LTD. Outside Audit &amp; Supervisory Board Member of Nippon Export and Investment Insurance (NEXI)</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Mr. Yoichi Takei again as a candidate for Outside Director because it expects that by leveraging his expertise as an attorney and high perspective and extensive experience gained through his career as an officer of other companies, he will provide advice and make proposals from an independent standpoint to contribute to enhancing the Company's corporate value.</p>	0 shares

Candi- date No.	Name, Date of birth, etc.	Career summary	Number of shares of the Company held
9	<p>Makoto Horie</p> <p>March 15, 1959 (Age 65)</p> <p>Attendance record at the Board of Directors meeting: —</p> <p>Period of service as Director: —</p> <p>&lt;New appointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p>April 1981      Joined Sumitomo Corporation</p> <p>April 2003      Head of Huston Office, Sumitomo Corporation of Americas and Head of Steel Pipes Sector, Sumitomo Corporation</p> <p>April 2009      Associate Officer, Deputy General Manager of No. 3 and No. 2 Steel Divisions, and General Manager of No. 3 and No. 2 Steel Business Planning Divisions, Sumitomo Corporation</p> <p>April 2012      Executive Officer, General Manager of No. 3 Steel Division, Sumitomo Corporation, and Representative Director and President, Sumisho Steel Corporation</p> <p>June 2015      Representative Director, Managing Executive Officer, and Head of Metal Products Business Unit, Sumitomo Corporation</p> <p>June 2017      Senior Managing Executive Officer, Head of Metal Products Business Unit, Sumitomo Corporation</p> <p>June 2019      Representative Director, Chairman of the Board, Sumitomo Mitsui Finance and Leasing Company, Limited</p> <p>June 2022      Special Advisor, Sumitomo Mitsui Finance and Leasing Company, Limited (current position)</p> <p>July 2023      Special Advisor, TOYO KANETSU K.K. (current position) Advisor, KTX Corporation (current position)</p> <p>[Significant concurrent positions]</p> <p>Special Advisor, TOYO KANETSU K.K. Advisor, KTX Corporation</p> <p>[Reason for nomination as a candidate for Outside Director and expected role]</p> <p>The Company nominates Mr. Makoto Horie as a candidate for Outside Director because it expects that by leveraging his wealth of experience and expertise related to corporate management, including experience in global businesses, gained through his career as Representative Director and President and in other executive positions of other companies, he will provide advice and make proposals from an independent standpoint to contribute to enhancing the Company's corporate value.</p>	— shares

Candidate No.	Name, Date of birth, etc.	Career summary	Number of shares of the Company held
10	<p>Takako Masai</p> <p>March 8, 1965 (Age 59)</p> <p>Attendance record at the Board of Directors meeting: —</p> <p>Period of service as Director: —</p> <p>&lt;New appointment&gt; &lt;Outside&gt; &lt;Independent&gt;</p>	<p>November 1988    Joined Tokyo Branch of The Bank of Nova Scotia</p> <p>July 1989        Joined Tokyo Branch of The Toronto-Dominion Bank</p> <p>March 1998      General Manager, Financial Products Sales Department, Tokyo Branch, Crédit Agricole Indosuez Bank (currently Crédit Agricole Corporate and Investment Bank)</p> <p>May 2007        General Manager, Capital Markets Department, Shinsei Bank, Limited (currently SBI Shinsei Bank, Limited)</p> <p>April 2013      Executive Officer and Head of Market Research Office, Markets Division, Shinsei Bank, Limited (currently SBI Shinsei Bank, Limited)</p> <p>July 2015        Executive Officer and General Manager of Financial Market Research Department, Shinsei Bank, Limited (currently SBI Shinsei Bank, Limited)</p> <p>June 2016        Member of the Policy Board, The Bank of Japan</p> <p>June 2021        Director, SBI Financial and Economic Research Institute Co., Ltd. (current position)</p> <p>July 2021        Outside Director, Tobishima Corporation (current position) Advisory Board member, Sim Kee Boon Institute for Financial Economics (current position)</p> <p>August 2021     Chairperson, SBI Financial and Economic Research Institute Co., Ltd. (current position)</p> <p>April 2022       Visiting Professor, Jissen Women's University (current position)</p> <p>March 2024      Director, Japan Professional Football League (current position)</p> <p>[Significant concurrent positions] Director and Chairperson, SBI Financial and Economic Research Institute Co., Ltd. Outside Director, Tobishima Corporation Advisory Board member, Sim Kee Boon Institute for Financial Economics Visiting Professor, Jissen Women's University Director, Japan Professional Football League</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Ms. Takako Masai as a candidate for Outside Director because it expects that by leveraging her wealth of experience, advanced expertise, and extensive insight gained through her career of holding key senior positions in the financial industry, such as at foreign-affiliated banks, a Japanese bank, and The Bank of Japan, she will provide advice and make proposals from an independent standpoint to contribute to enhancing the Company's corporate value.</p>	— shares

(Notes)

- There are no conflicts of interests between each candidate and the Company.
- Mr. Naosuke Oda, Mr. Yoichi Takei, Mr. Makoto Horie, and Ms. Takako Masai are candidates for Outside Director.
- Although Mr. Yoichi Takei has not been involved in the management of a company other than as an outside officer, the Company has judged that he will execute his duties appropriately as Outside Director from an independent standpoint by leveraging his expertise as an attorney and high perspective and extensive experience gained through his career as an officer of other companies.
- Article 26, Paragraph 2 of the Articles of Incorporation of the Company prescribes that the Company may enter into a liability limitation agreement with each Outside Director that limits their liability for damages to the Company within a certain extent, pursuant to Article 427, Paragraph 1 of the Companies Act.  
The limit of liability for damages set out under such agreement is ¥10 million or the minimum liability amount of liability for damages set out under Article 425, Paragraph 1 of the Companies Act, whichever is higher.  
The Company has entered into a liability limitation agreement with Mr. Naosuke Oda and Mr. Yoichi Takei.  
Such agreement with each of Mr. Naosuke Oda and Mr. Yoichi Takei shall be renewed once their appointments are approved at this year's Annual General Meeting of Shareholders.  
The Company will enter into the same liability limitation agreement with each of Mr. Makoto Horie and Ms. Takako Masai once their appointments are approved.
- The Company has entered into a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The overview of the said insurance contract is as described in "(4) Matters regarding directors and officers liability insurance agreements" of "IV Matters Regarding Directors (and other Officers)" in the Business Report (available only in Japanese).  
The Company plans to renew the contract, with similar terms, when it comes up for renewal. Each of the candidates will become the insured under the said insurance contract, once they are appointed.

6. The Company has appointed and registered Mr. Naosuke Oda and Mr. Yoichi Takei as independent directors with the Tokyo Stock Exchange pursuant to the rules of the Exchange. The Company shall keep them registered as independent directors upon the approval of their appointments at this year's Annual General Meeting of Shareholders.  
Mr. Makoto Horie and Ms. Takako Masai satisfy the requirements for independent director pursuant to the rules of the Tokyo Stock Exchange. The Company will appoint and register them as independent directors with the Exchange upon the approval of their appointments.

<Reference> Areas expected of each Director after election at the General Meeting of Shareholders

Indicated below are areas regarding which, based on Directors' achievements and experience, the Company has particularly high expectations of its Directors as it strives to achieve the Group's long-term vision "Daio Group Transformation 2035."

Name	Position	Independence	Areas regarding which the Company has particularly high expectations									
			1) Corporate management	2) Corporate planning / M&A	3) Sales & marketing	4) Manufacturing / R&D	5) Finance / accounting	6) Human resources / HR development	7) Legal affairs / risk management	8) Overseas business / international experience	9) Sustainability / ESG	10) IT / DX
Yorifusa Wakabayashi	President and Representative Director, Chief Executive Officer		•	•	•		•	•		•	•	
Hiroshi Yamasaki	Executive Vice President and Representative Director Executive Vice President		•			•			•	•	•	•
Atsushi Ishida	Director Managing Executive Officer			•	•						•	•
Hiroyuki Fujita	Director Managing Executive Officer		•		•	•					•	•
Toshikatsu Tanahashi	Director Managing Executive Officer		•			•				•		•
Shuhei Shinagawa	Director Managing Executive Officer			•				•		•		•
Naosuke Oda	Outside Director	•	•	•	•				•			•
Yoichi Takei	Outside Director	•		•				•		•		•
Makoto Horie	Outside Director	•	•	•	•						•	
Takako Masai	Outside Director	•						•	•	•	•	

**Proposal 3: Election of Four (4) Audit & Supervisory Board Members**

The terms of Audit & Supervisory Board Members Mr. Tsutomu, Ariyasu, Mr. Yoichiro Yamakawa, Mr. Takemi Nagasaka, and Ms. Kyoko Okada will expire at the conclusion of this year's Annual General Meeting of Shareholders, and Mr. Hiromitsu Fujii will resign at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, we propose the election of four (4) Audit & Supervisory Board Members. If this proposal is approved, the Audit & Supervisory Board will be made up of four Members (including three Outside Audit & Supervisory Board Members), one Member less compared to the current Board. However, the Company has judged that the new Audit & Supervisory Board will be able to continue to ensure the effectiveness of audits by the Audit & Supervisory Board.

The Company has obtained the Audit & Supervisory Board's consent to this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

Candidate No.	Name	Gender	Attributes	Current position, etc. at the Company
1	Yukihiro Tanaka	Male	New appointment	Director Managing Executive Officer
2	Yoichiro Yamakawa	Male	Re-appointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member
3	Kyoko Okada	Female	Re-appointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member
4	Yoshikuni Noguchi	Male	New appointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	—

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Yukihiro Tanaka</p> <p>May 15, 1957 (Age 67)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Attendance record at the Audit &amp; Supervisory Board meeting: —</p> <p>Period of service as Audit &amp; Supervisory Board Member: —</p> <p>&lt;New appointment&gt;</p>	<p>April 1980      Joined the Company</p> <p>June 2006      Director, General Manager of Personnel Department and in charge of General Affairs Department, Tokyo Headquarters, the Company</p> <p>April 2010      Director, General Manager of Publication Paper Sales Division, the Company</p> <p>April 2013      General Manager of Kyushu Branch Office, the Company</p> <p>June 2015      Executive Officer, General Manager of General Affairs Division, the Company</p> <p>May 2017      Executive Officer, General Manager of Corporate Planning Division, the Company</p> <p>June 2017      Director, General Manager of Corporate Planning Division and in charge of Safety &amp; Environment Control Department, the Company</p> <p>April 2019      Director, General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>April 2021      Director, Managing Executive Officer; General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>July 2021      Director, Managing Executive Officer; General Manager of General Affairs and Personnel Division, Corporate Unit; and Responsible for Risk and Compliance, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Audit &amp; Supervisory Board Member]</p> <p>Mr. Yukihiro Tanaka has engaged in the paper and paperboard business, the administration division, etc., and currently serves as Director, Managing Executive Officer, and General Manager of General Affairs and Personnel Division, Corporate Unit. The Company nominates him as a candidate for Audit &amp; Supervisory Board Member because it has judged that he will execute effective audits, considering that he has a wealth of experience and expertise in each business area of the sales and administrative divisions at the Company and the Group companies.</p>	10,200 shares
2	<p>Yoichiro Yamakawa</p> <p>July 21, 1941 (Age 82)</p> <p>Attendance record at the Board of Directors meeting: 93% (14/15)</p> <p>Attendance record at the Audit &amp; Supervisory Board meeting: 100% (16/16)</p> <p>Period of service as Audit &amp; Supervisory Board Member: 16 years</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1966      Registered as an attorney at law</p> <p>April 1979      Partner, Koga &amp; Partners (current position)</p> <p>September 1991      Visiting Professor, the University of Michigan Law School</p> <p>June 2001      Outside Director, Sumitomo Mitsui Banking Corporation</p> <p>December 2002      Outside Director, Sumitomo Mitsui Financial Group, Inc.</p> <p>July 2005      Outside Director, Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>June 2006      Outside Audit &amp; Supervisory Board Member, Nippon Steel Nisshin Co., Ltd. (currently Nippon Steel Corporation)</p> <p>June 2008      Outside Audit &amp; Supervisory Board Member, the Company (current position)</p> <p>June 2010      Outside Audit &amp; Supervisory Board Member, Renesas Electronics Corporation</p> <p>[Significant concurrent positions]</p> <p>Partner, Koga &amp; Partners</p> <p>[Reason for nomination as a candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>The Company nominates Mr. Yoichiro Yamakawa again as a candidate for Outside Audit &amp; Supervisory Board Member because it has judged that he will appropriately execute his duties as Outside Audit &amp; Supervisory Board Member from an independent standpoint by leveraging his expertise as an attorney and his wealth of experience gained through his career as an officer of other companies.</p>	0 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
3	<p>Kyoko Okada</p> <p>July 26, 1959 (Age 64)</p> <p>Attendance record at the Board of Directors meeting: 100% (15/15)</p> <p>Attendance record at the Audit &amp; Supervisory Board meeting: 100% (16/16)</p> <p>Period of service as Audit &amp; Supervisory Board Member: 4 years</p> <p>&lt;Re-appointment&gt;</p>	<p>April 1982      Joined Shiseido Company, Limited</p> <p>October 2011    General Manger, Corporate Culture Department, Shiseido Company, Limited</p> <p>April 2015      General Manager, Secretary Office, General Affairs Department, Shiseido Company, Limited</p> <p>June 2015      Audit &amp; Supervisory Board Member, Shiseido Company, Limited</p> <p>June 2018      Director, Japan Cancer Society</p> <p>June 2019      Independent Outside Auditor, Subaru Corporation</p> <p>June 2019      Outside Auditor, NS Solutions Corporation</p> <p>June 2020      Audit &amp; Supervisory Board Member, the Company (current position)</p> <p>June 2021      Outside Director, JACCS Co., Ltd. (current position)</p> <p>June 2022      Outside Audit &amp; Supervisory Board Member, NEC Corporation</p> <p>June 2023      Outside Member of the Board, NEC Corporation (current position)</p> <p>[Significant concurrent positions] Outside Director, JACCS Co., Ltd. Outside Member of the Board, NEC Corporation</p> <p>[Reason for nomination as a candidate for Outside Audit &amp; Supervisory Board Member] The Company nominates Ms. Kyoko Okada again as a candidate for Outside Audit &amp; Supervisory Board Member, because it has judged that she will appropriately execute her duties as Outside Audit &amp; Supervisory Board Member from an independent standpoint by leveraging her extensive expertise on CSR and corporate culture and her wealth of experience gained through her career as an officer of other companies.</p>	0 shares



Candidate No.	Name, Date of birth, etc.	Career summary	Number of shares of the Company held
4	Yoshikuni Noguchi  October 10, 1966 (Age 57)  Attendance record at the Board of Directors meeting: —  Attendance record at the Audit & Supervisory Board meeting: —  Period of service as Audit & Supervisory Board Member: —  <New appointment>	October 1990    Joined Eiwa Audit Corporation (currently KPMG AZSA LLC) April 1997    Registered as a certified public accountant June 2005    Partner, KPMG AZSA LLC September 2023    Representative, Noguchi Accounting Office (current position) [Significant concurrent positions] Representative, Noguchi Accounting Office [Reason for nomination as a candidate for Outside Audit & Supervisory Board Member] The Company nominates Mr. Yoshikuni Noguchi as a candidate for Outside Audit & Supervisory Board Member because it has judged that he will appropriately execute his duties as Outside Audit & Supervisory Board Member from an independent standpoint by leveraging his experience as a partner of an audit corporation and his advanced expertise on finance and accounting.	— shares

(Notes)

- There are no conflicts of interests between each candidate and the Company.
- Mr. Yoichiro Yamakawa, Ms. Kyoko Okada, and Mr. Yoshikuni Noguchi are candidates for Outside Audit & Supervisory Board Member.
- Although Mr. Yoichiro Yamakawa has not been involved in the management of a company other than as an outside officer, the Company has judged that he will execute his duties appropriately as Outside Audit & Supervisory Board Member from an independent standpoint by leveraging his expertise as an attorney and his wealth of experience and extensive insight gained through his career as an officer of other companies.
- Although Mr. Yoshikuni Noguchi has not been involved in the management of a company other than as an outside officer, the Company has judged that he will execute his duties appropriately as Outside Audit & Supervisory Board Member from an independent standpoint by leveraging his experience as a partner of an audit corporation and his advanced expertise on finance and accounting.
- Article 35, Paragraph 2 of the Articles of Incorporation of the Company prescribes that the Company may enter into a liability limitation agreement with each Audit & Supervisory Board Member that limits their liability for damages to the Company within a certain extent, pursuant to Article 427, Paragraph 1 of the Companies Act.  
The limit of liability for damages set out under such agreement is ¥10 million or the minimum liability amount of liability for damages set out under Article 425, Paragraph 1 of the Companies Act, whichever is higher.  
The Company has entered into a liability limitation agreement with Mr. Yoichiro Yamakawa and Ms. Kyoko Okada.  
Such agreement with each of Mr. Yoichiro Yamakawa and Ms. Kyoko Okada shall be renewed once their appointments are approved at this year's Annual General Meeting of Shareholders.  
The Company will enter into the same liability limitation agreement with Mr. Yukihiro Tanaka and Mr. Yoshikuni Noguchi once their appointments are approved.
- The Company has entered into a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The overview of the said insurance contract is as described in "(4) Matters regarding directors and officers liability insurance agreements" of "IV Matters Regarding Directors (and other Officers)" in the Business Report (available only in Japanese).  
The Company plans to renew the contract, with similar terms, when it comes up for renewal. Each of the candidates will become the insured under the said insurance contract, once they are appointed.
- The Company has appointed and registered Mr. Yoichiro Yamakawa and Ms. Kyoko Okada as independent audit & supervisory board members with the Tokyo Stock Exchange pursuant to the rules of the Exchange. The Company shall keep them registered as independent audit & supervisory board members upon the approval of their appointments at this year's Annual General Meeting of Shareholders.  
Mr. Yoshikuni Noguchi satisfies the requirements for independent audit & supervisory board member pursuant to the rules of the Tokyo Stock Exchange. The Company will appoint and register him as independent audit & supervisory board member with the Exchange upon the approval of his appointment.

<Reference>

#### **Election Policy for Director of the Company**

Candidates for Director of the Company shall be determined from among a wide diversity of human resources, in accordance with the following nomination policy, by a resolution of the Board of Directors. In determining the candidates for Director, the Board of Directors shall consult and receive a report of the Nomination Committee, which is chaired by an Independent Outside Director and of which Independent Outside Directors constitute a majority:

- i) Those who have a wealth of knowledge and experience concerning business management and business operations of the Daio Paper Group; and
- ii) Those who understand the social responsibility and the mission of operations and are capable of executing business management and business operations fairly and accurately based on high ethical standards.

#### **Election Policy for Independent Outside Director of the Company**

Candidates for Independent Outside Director shall be determined from among a wide diversity of human resources, in accordance with the following nomination policy, by a resolution of the Board of Directors:

- i) Those who meet the independence criteria\* of the Company and are deemed to have no potential conflict of interest with general shareholders;
- ii) Those who understand the management philosophy of the Company and fully understand the social responsibilities and roles of the Daio Paper Group; and
- iii) Those who fully recognize the role of an Outside Director and are able to leverage their knowledge and activities in such fields as corporate management, economics, law, accounting, tax and audit to supervise execution of duties by Directors and management of the Company, and provide opinion and advice in an accurate and appropriate manner.

#### **Election Policy for Audit & Supervisory Board Member of the Company**

Candidates for Audit & Supervisory Board Member of the Company shall be determined from among a wide diversity of human resources, in accordance with the following nomination policy, with consent of the Audit & Supervisory Board and by a resolution of the Board of Directors:

- i) Those who have a wealth of knowledge and experience concerning business management and business operations of the Daio Paper Group; and
- ii) Those who are able to audit the state of execution of duties by Directors from a fair and objective standpoint and contribute to enhancing soundness and transparency in management of the Company.

#### **Election Policy for Independent Outside Audit & Supervisory Board Member of the Company**

Candidates for Independent Outside Audit & Supervisory Board Member shall be determined from among a wide diversity of human resources, in accordance with the following nomination policy, with consent of the Audit & Supervisory Board and by a resolution of the Board of Directors:

- i) Those who meet the independence criteria set by a financial instruments exchange and are deemed to have no potential conflict of interest with general shareholders;
- ii) Those who understand the management philosophy of the Company and fully understand the social responsibilities and roles of the Daio Paper Group; and
- iii) Those who fully recognize the role of an Outside Audit & Supervisory Board Member and are able to leverage their knowledge and experience in such fields as corporate management, economics, law, accounting, tax and audit to audit the state of execution of duties by Directors from a neutral and objective perspective, and contribute to enhancing soundness and transparency in management of the Company.

\*The independence criteria for Independent Outside Director specified by the Corporate Governance Basic Policy of the Company are as follows.

In selecting candidates for Independent Outside Director, the Company assesses independence taking into consideration the following requirements.

1. There are no significant conflicts of interest with the Daio Paper Group, and substantial independence can be ensured. Specifically, the candidates shall not fall under any of the following items:
  - 1) A person whose principal business partner is the Company or a business executor of such person, or a person who is the Company's principal business partner or a business executor of such person;
  - 2) A consultant, accounting specialist or legal specialist who receives a large amount of cash and other financial assets other than directors' remuneration from the Company (in the event that the person who receives such financial assets is a corporation, association or some other organization, a person who belongs to such organization);
  - 3) A business executor of a major shareholder of the Company (including Director who is not a business executor);
  - 4) A person who recently fell under 1) to 3) above; or

- 5) A close relative of the person mentioned in a. to c. below (excluding those who are not important):
- a. Person mentioned in 1) to 4) above;
  - b. A business executor of a subsidiary of the Company; or
  - c. A person who recently fell under b. above or a business executor of the Company.