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Securities Code: 4186

March 8, 2023

To Those Shareholders with Voting Rights

Noriaki Taneichi President and Representative Director  
**TOKYO OHKA KOGYO CO., LTD.**  
150 Nakamaruko, Nakahara-ku, Kawasaki, Kanagawa,  
Japan

## **NOTICE OF THE CONVOCAATION OF THE 93rd ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce the 93rd Ordinary General Meeting of Shareholders of TOKYO OHKA KOGYO CO., LTD. (“the Company”), which will be held as described below.

**We request our shareholders consider your health status in deciding whether to attend in person this General Meeting of Shareholders from the perspective of preventing the spread of the novel coronavirus disease (COVID-19) and securing your safety.**

**If you are unable to attend the meeting in person, please exercise your voting rights either in writing or by electronic means (via the Internet, etc.).**

**Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m., Wednesday, March 29, 2023 (JST).**

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the Convocation of the 93rd Ordinary General Meeting of Shareholders” on the Company’s website. Please access the Company’s website using the Internet address shown below to review the information.

Company’s website: <https://www.tok.co.jp/ir/shareholders/shm.html> (in Japanese only)

In addition to posting items for which measures for providing information in electronic format are to be taken on the Company’s website listed above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, access the TSE website (Listed Company Search) by using the Internet address given below, input the issue name (company name) or securities code, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

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

The General Meeting of Shareholders will be streamed live over the Internet so that participants can watch the events taking place on the day. For details, please refer to the separate “Guide to Live Streaming of the 93rd Ordinary General Meeting of Shareholders,” which is enclosed with this notice of convocation.

### **Exercise of Voting Rights in Writing**

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it to the Company, ensuring that the form reaches us no later than the above voting deadline.

### **Exercise of Voting Rights by Electronic Means (via the Internet, etc.)**

Please review the “Guide for Exercising Voting Rights” and enter your approval or disapproval for each proposal no later than the above voting deadline.

- 1. Date and Time:** Thursday, March 30, 2023 at 10:00 a.m. (JST)  
**2. Place:** Meeting Room, 5F, Corporate Headquarters of the Company  
150 Nakamaruko, Nakahara-ku, Kawasaki, Kanagawa, Japan

**3. Agenda of the Meeting:**

**Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 93rd fiscal year (from January 1, 2022 to December 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. The Non-Consolidated Financial Statements for the 93rd fiscal year (from January 1, 2022 to December 31, 2022)

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Partial Amendments to the Articles of Incorporation  
**Proposal No. 3:** Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)  
**Proposal No. 4:** Election of Four Directors Who Are Audit and Supervisory Committee Members  
**Proposal No. 5:** Setting of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)  
**Proposal No. 6:** Setting of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members  
**Proposal No. 7:** Determination of the Details of the Share-Based Remuneration Plan for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members, Outside Directors and Non-executive Directors)

**4. Matters Decided for the Convocation:**

- (1) If you do not indicate your approval or disapproval for each proposal on your returned Voting Rights Exercise Form, we will treat it as if you indicated approval for each proposal.
- (2) If you exercise your voting rights by two different means, that is, by electronic means (via the Internet, etc.) as well as in writing, votes by electronic means (via the Internet, etc.) shall prevail.
- (3) If you exercise your voting rights by electronic means (via the Internet, etc.) more than once, your final votes shall prevail.

\* For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.

\* When it is necessary to modify the items for which measures for providing information in electronic format are to be taken, please understand that the items after modification will be shown on the website of the Company (<https://www.tok.co.jp/>) (in Japanese only) and the TSE website (Listed Company Search) (<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>) (in Japanese only).

## **Guide for Exercising Voting Rights**

Voting rights can be exercised using the following three methods.

### **[Attending the General Meeting of Shareholders]**

Please hand in the enclosed Voting Rights Exercise Form at the reception desk.

**Date and Time:** Thursday, March 30, 2023 at 10:00 a.m. (JST)

**Place:** Meeting Room, 5F, Corporate Headquarters of the Company  
150 Nakamaruko, Nakahara-ku, Kawasaki, Kanagawa, Japan

### **[Exercise of Voting Rights in Writing]**

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and mail it without a stamp.

**Deadline for exercising voting rights:** 5:30 p.m., Wednesday, March 29, 2023 (JST)

### **[Exercise of Voting Rights via the Internet]**

Please access the website for exercising voting rights (<https://evote.tr.mufg.jp/>) from personal computer or smartphone, enter the “login ID” and “temporary password” provided on the Voting Rights Exercise Form and then enter your vote for each proposal according to the instructions on the screen.

**Deadline for exercising voting rights:** 5:30 p.m., Wednesday, March 29, 2023 (JST)

### **Points to note when exercising the voting rights by electromagnetic means (via the Internet, etc.)**

- (1) If you exercise your voting rights by two different means, that is, by electronic means (via the Internet, etc.) as well as in writing, votes by electronic means (via the Internet, etc.) shall prevail.
- (2) If you exercise your voting rights by electronic means (via the Internet, etc.) more than once, your final votes shall prevail.
- (3) To prevent people who are not shareholders (impostors) from illegally accessing the website and alteration of the content of your voting selections, we will ask shareholders who use the website to change their “temporary passwords” on the website for exercising voting rights.
- (4) You will be provided with a new “login ID” and “temporary password” each time a General Meeting of Shareholders is convened.

**Website to use for exercising voting rights**

- (1) Depending on the Internet user environment, shareholders using personal computers or smartphones may not be able to exercise their voting rights via the website for exercising voting rights. For more details, please contact the Help Desk by telephone at the following number.
- (2) Costs arising from accessing the website for exercising voting rights (Internet access fees, communication charges, etc.) will be borne by the shareholder.

**Electronic proxy voting platform**

If you are nominee shareholders such as management trust banks (including standing proxy) and apply in advance for the use of the electronic proxy voting platform operated by ICJ, Inc., you may use such platform operated by ICJ, Inc.

**For inquiries concerning systems, etc. please contact:**

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Department (Help Desk)  
Tel: 0120-173-027 (Business hours: 9:00 a.m.–9:00 p.m. (JST) toll free)

## Reference Documents for General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Appropriation of Surplus

Regarding the appropriation of surplus, the Company proposes as follows.

Matters related to the year-end dividend:

The Company considers the return of its profits to shareholders an important managerial issue. The Company, in light of its financial condition and business performance from a long-term point of view, makes it its basic policy to carefully secure sufficient internal reserves for the enhancement of the corporate competitiveness and enlargement of its profit. On the other hand, the Company also makes it its basic policy to continue its payments of dividends with a consolidated DOE (dividend on equity ratio) of 4.0% as the target level of dividend payout, and flexibly acquire its own stock, to realize stable and continued return of profit.

Under this policy, with regard to the year-end dividend for the fiscal year, the Company proposes to pay ¥82 per share. This payment takes into account various factors, including the Company's business performance, and also reflects the Company's desire to reciprocate the consistent support of its shareholders.

Accordingly, including the interim dividend of ¥78 per share paid in September 2022, the annual dividend for the fiscal year is ¥160 per share.

- (1) Type of dividend property  
Cash
- (2) Matters related to distribution of dividend property to shareholders and the total amount  
¥82 per common share of the Company Total amount: ¥3,315,517,644
- (3) Effective date of the distribution of surplus  
March 31, 2023

**Proposal No. 2: Partial Amendments to the Articles of Incorporation**

1. Reasons for the amendments

The Company will transition from a Company with Audit & Supervisory Board to a Company with Audit and Supervisory Committee in order to further improve corporate governance by strengthening the supervisory function of the Board of Directors, enhancing management transparency and ensuring faster decision-making. In connection with the transition, necessary changes will be made, including the establishment of new provisions regarding Directors who are Audit and Supervisory Committee Members and the Audit and Supervisory Committee, as well as the deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board, which are necessary for the transition to a Company with Audit and Supervisory Committee.

2. Details of the amendments

The amendments are as follows:

This proposal will take effect at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
<p>Chapter 1 General</p> <p>Articles 1 through 3</p> <p>(Provisions omitted)</p> <p>(Organization)</p> <p>Article 4</p> <p>Besides the general meeting of shareholders and directors, the Company also has the followings:</p> <p>(1) Board of Directors</p> <p><u>(2) Audit &amp; Supervisory Board Members</u></p> <p><u>(3) Audit &amp; Supervisory Board</u></p> <p>(4) Accounting Auditor</p> <p>(Method of Public Notice)</p> <p>Article 5</p> <p>(Provisions omitted)</p> <p>Chapter 2 Stock Equity</p> <p>Articles 6 through 12</p> <p>(Provisions omitted)</p> <p>Chapter 3 General Meeting of Shareholders</p> <p>Articles 13 through 19</p> <p>(Provisions omitted)</p> <p>Chapter 4 Directors and Board of Directors</p> <p>(Numbers)</p> <p>Article 20</p> <p>The number of Directors of the Company shall not exceed <u>ten</u> (10) people.</p> <p>(Newly established)</p> <p>(Appointment)</p> <p>Article 21</p> <p>(Newly established)</p>	<p>Chapter 1 General</p> <p>Articles 1 through 3</p> <p>(Unchanged)</p> <p>(Organization)</p> <p>Article 4</p> <p>Besides the general meeting of shareholders and directors, the Company also has the followings:</p> <p>(1) Board of Directors</p> <p>(Deleted)</p> <p><u>(2) Audit and Supervisory Committee</u></p> <p><u>(3) Accounting Auditor</u></p> <p>(Method of Public Notice)</p> <p>Article 5</p> <p>(Unchanged)</p> <p>Chapter 2 Stock Equity</p> <p>Articles 6 through 12</p> <p>(Unchanged)</p> <p>Chapter 3 General Meeting of Shareholders</p> <p>Articles 13 through 19</p> <p>(Unchanged)</p> <p>Chapter 4 Directors and Board of Directors <u>and Audit and Supervisory Committee</u></p> <p>(Numbers)</p> <p>Article 20</p> <p>(1) The number of Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) of the Company shall not exceed <u>six (6)</u> people.</p> <p><u>(2) The number of Directors who are Audit and Supervisory Committee Members of the Company shall not exceed four (4) people.</u></p> <p>(Appointment)</p> <p>Article 21</p> <p><u>(1) Directors shall be elected by a resolution of a general meeting of shareholders, distinguishing between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>(1) Resolutions for the election of Directors shall be adopted by a majority of the votes of shareholders present who hold at least one-third of the voting rights of shareholders who are entitled to exercise their votes.</p> <p>(2) Resolutions for the election of Directors shall not be made by cumulative voting.</p> <p>(Term of Office) Article 22</p> <p>The term of office of Directors of the Company shall expire at the conclusion of the ordinary general meeting of shareholders of the Company for the fiscal year which is the last of those ending within one (1) year after their assuming office.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(2) Resolutions for the election of Directors shall be adopted by a majority of the votes of shareholders present who hold at least one-third of the voting rights of shareholders who are entitled to exercise their votes.</p> <p>(3) Resolutions for the election of Directors shall not be made by cumulative voting.</p> <p>(Term of Office) Article 22</p> <p>(1) The term of office of Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) of the Company shall expire at the conclusion of the ordinary general meeting of shareholders of the Company for the fiscal year which is the last of those ending within one (1) year after their assuming office.</p> <p>(2) The term of office of Directors who are <u>Audit and Supervisory Committee Members of the Company shall expire at the conclusion of the ordinary general meeting of shareholders of the Company for the fiscal year which is the last of those ending within two (2) years after their assuming office.</u></p> <p>(3) <u>The term of office of a Director who is an Audit and Supervisory Committee Member elected to fill a vacancy for a Director who is an Audit and Supervisory Committee Member who retired prior to the expiration of his or her term of office shall expire at the expiration of the term of office of the retiring Director who is an Audit and Supervisory Committee Member.</u></p> <p>(4) <u>The effective term of the resolution for election of a Director who is a substitute Audit and Supervisory Committee Member elected pursuant to Paragraph 3 of Article 329 of the Companies Act shall expire at the commencement of the ordinary general meeting of shareholders of the Company for the fiscal year which is the last of those ending within two (2) years after his or her assuming office, unless shortened by such resolution.</u></p>
<p>(Representative Directors and Executive Directors) Article 23</p> <p>(1) The Board of Directors shall appoint the Representative Director(s) by its resolution.</p> <p>(2) The Board of Directors may elect one (1) Chairman of the Board of Directors, one (1) President and CEO, and other Executive Directors who are deemed necessary by resolution of the Board of Directors.</p> <p>(3) (Provisions omitted) (Newly established)</p>	<p>(Representative Directors and Executive Directors) Article 23</p> <p>(1) The Board of Directors shall appoint the Representative Director(s) <u>from Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by its resolution.</p> <p>(2) The Board of Directors may elect one (1) Chairman of the Board of Directors, one (1) President and CEO, and other Executive Directors who are deemed necessary, <u>each from Directors (excluding Directors who are Audit and Supervisory Committee Members),</u> by resolution of the Board of Directors.</p> <p>(3) (Unchanged)</p> <p><u>(Standing Audit and Supervisory Committee Member)</u> Article 24</p> <p><u>The Audit and Supervisory Committee may elect Standing Audit and Supervisory Committee Member(s) from Audit and Supervisory Committee Members by resolution of the Audit and Supervisory Committee.</u></p>
<p>(Remuneration, etc.) Article 24</p> <p>Remuneration, bonuses, and other property benefits (hereinafter referred to as "Remunerations") to be received from the Company in consideration of the execution of duties by Directors shall be determined by a resolution of a general meeting of shareholders.</p>	<p>(Remuneration, etc.) Article 25</p> <p>Remuneration, bonuses, and other property benefits (hereinafter referred to as "Remunerations") to be received from the Company in consideration of the execution of duties by Directors shall be determined by a resolution of a general meeting of shareholders, <u>by distinguishing between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>(Board of Directors)  Article 25  (1) (Provisions omitted)  (2) Convocation of a meeting of the Board of Directors shall be notified to each Director <u>and auditor</u> no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.  (Newly established)</p>	<p>(Board of Directors)  Article 26  (1) (Unchanged)  (2) Convocation of a meeting of the Board of Directors shall be notified to each Director no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.  <u>(Audit and Supervisory Committee)</u>  Article 27  <u>Convocation of a meeting of the Audit and Supervisory Committee shall be notified to each Audit and Supervisory Committee Member no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.</u></p>
<p>(Omit of Resolutions of the Board of Directors)  Article 26  (Provisions omitted)  (Newly established)</p>	<p>(Omit of Resolutions of the Board of Directors)  Article 28  (Unchanged)  <u>(Delegation of Decisions of Execution of Important Operations)</u>  Article 29  <u>Pursuant to the provisions of Paragraph 6 of Article 399-13 of the Companies Act, the Company may, by a resolution of the Board of Directors, delegate all or part of decisions of execution of important operations (excluding matters listed in each item of Paragraph 5 of the same Article) to Directors.</u></p>
<p>(Regulation on the Board of Directors)  Article 27  (Provisions omitted)  (Newly established)</p>	<p>(Regulation on the Board of Directors)  Article 30  (Unchanged)  <u>(Regulation on the Audit and Supervisory Committee)</u>  Article 31  <u>Matters relating to the Audit and Supervisory Committee shall be governed by the “Regulation on the Audit and Supervisory Committee” as stipulated by the Audit and Supervisory Committee, in addition to matters stipulated by laws and regulations or the Articles of Incorporation.</u></p>
<p>(Limited Liability Agreement with Directors)  Article 28  (Provisions omitted)</p>	<p>(Limited Liability Agreement with Directors)  Article 32  (Unchanged)</p>
<p><u>Chapter 5 Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</u>  <u>(Numbers)</u>  Article 29  <u>The number of Audit &amp; Supervisory Board Members of the Company shall not exceed four (4) people.</u>  <u>(Appointment)</u>  Article 30  <u>Resolutions for the election of Audit &amp; Supervisory Board Members shall be adopted by a majority of the votes of shareholders present who hold at least one-third of the voting rights of shareholders who are entitled to exercise their votes.</u>  <u>(Term of Office)</u>  Article 31  (1) <u>The term of office of Audit &amp; Supervisory Board Members of the Company shall expire at the conclusion of the ordinary general meeting of shareholders of the Company for the fiscal year which is the last of those ending within four (4) years after their assuming office.</u></p>	<p>(Deleted)  (Deleted)  (Deleted)  (Deleted)</p>



Current Articles of Incorporation	Proposed amendments
<p><u>(2) The term of office of Audit &amp; Supervisory Board Member elected to fill a vacancy for Audit &amp; Supervisory Board Member who retired prior to the expiration of his or her term of office shall be the same as the remaining term of office of the retiring Audit &amp; Supervisory Board Member.</u></p>	
<p><u>(Standing Audit &amp; Supervisory Board Member)</u></p>	(Deleted)
<p><u>Article 32</u></p>	
<p><u>The Audit &amp; Supervisory Board shall elect Standing Statutory Auditor(s) by a resolution of the Audit &amp; Supervisory Board.</u></p>	
<p><u>(Remuneration, etc.)</u></p>	(Deleted)
<p><u>Article 33</u></p>	
<p><u>Remuneration for Audit &amp; Supervisory Board Members shall be determined by a resolution of a general meeting of shareholders.</u></p>	
<p><u>(Audit &amp; Supervisory Board)</u></p>	(Deleted)
<p><u>Article 34</u></p>	
<p><u>(1) In addition to matters stipulated in laws and regulations, or the Articles of Incorporation, the Audit &amp; Supervisory Board shall decide on matters related to the execution of duties by Audit &amp; Supervisory Board Members. Provided, however, that this may not preclude Audit &amp; Supervisory Board Member from exercising his or her authority.</u></p>	
<p><u>(2) Convocation of a meeting of the Audit &amp; Supervisory Board shall be notified to each Audit &amp; Supervisory Board Member no later than three (3) days prior to the date of such meeting. Provided, however, that this period may be shortened in an emergency.</u></p>	
<p><u>(Regulation on the Audit &amp; Supervisory Board)</u></p>	(Deleted)
<p><u>Article 35</u></p>	
<p><u>Matters relating to the Audit &amp; Supervisory Board shall be governed by the "Regulation on the Audit &amp; Supervisory Board" as stipulated by the Audit &amp; Supervisory Board, in addition to matters stipulated by laws and regulations or the Articles of Incorporation.</u></p>	
<p><u>(Limited Liability Agreement with Audit &amp; Supervisory Board Members)</u></p>	(Deleted)
<p><u>Article 36</u></p>	
<p><u>The Company may enter into an agreement with Audit &amp; Supervisory Board Members to limit their liability for damages arising from failure to perform their duties, pursuant to the provisions of Paragraph 1 of Article 427 of the Companies Act. Provided, however, that the maximum amount of liability under such agreement shall be the amount stipulated by laws and regulations.</u></p>	
<p style="text-align: center;">Chapter 6 Accounting Auditors</p>	<p style="text-align: center;">Chapter 5 Accounting Auditors</p>
<p>(Appointment)</p>	<p>(Appointment)</p>
<p>Article 37</p> <p style="text-align: right;">(Provisions omitted)</p>	<p>Article 33</p> <p style="text-align: right;">(Unchanged)</p>
<p>(Term of Office)</p>	<p>(Term of Office)</p>
<p>Article 38</p> <p style="text-align: right;">(Provisions omitted)</p>	<p>Article 34</p> <p style="text-align: right;">(Unchanged)</p>
<p>(Remuneration, etc.)</p>	<p>(Remuneration, etc.)</p>
<p>Article 39</p>	<p>Article 35</p>
<p>Remunerations for Accounting Auditors shall be determined by the Representative Director with the consent of the <u>Audit &amp; Supervisory Board</u>.</p>	<p>Remunerations for Accounting Auditors shall be determined by the Representative Director with the consent of the <u>Audit and Supervisory Committee</u>.</p>

Current Articles of Incorporation	Proposed amendments
<p data-bbox="304 203 596 230">Chapter <u>7</u> Total Calculation</p> <p data-bbox="153 237 373 264">Articles <u>40</u> through <u>43</u></p> <p data-bbox="379 271 579 297">(Provisions omitted)</p> <p data-bbox="379 338 579 365">(Newly established)</p>	<p data-bbox="954 203 1246 230">Chapter <u>6</u> Total Calculation</p> <p data-bbox="802 237 1023 264">Articles <u>36</u> through <u>39</u></p> <p data-bbox="1062 271 1193 297">(Unchanged)</p> <p data-bbox="818 338 1075 365"><u>Supplementary Provisions</u></p> <p data-bbox="802 371 1430 430"><u>(Transitional Measures Concerning Exemption from Liability of Audit &amp; Supervisory Board Members)</u></p> <p data-bbox="818 436 1437 656"><u>(1) The Company may, by a resolution of the Board of Directors, exempt Audit &amp; Supervisory Board Members (including persons who were Audit &amp; Supervisory Board Members) from their liability for damages arising from their acts prior to the conclusion of the 93rd Ordinary General Meeting of Shareholders under Paragraph 1 of Article 423 of the Companies Act to the extent permitted by laws and regulations.</u></p> <p data-bbox="818 663 1437 909"><u>(2) The agreement to limit liability of Audit &amp; Supervisory Board Members (including persons who were Audit &amp; Supervisory Board Members) for damages arising from their acts prior to the conclusion of the 93rd Ordinary General Meeting of Shareholders under Paragraph 1 of Article 423 of the Companies Act shall be governed by Article 36 of the Articles of Incorporation prior to the amendment by resolution of that Ordinary General Meeting of Shareholders.</u></p>

**Proposal No. 3: Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The Company will transition to a Company with Audit and Supervisory Committee on the condition that Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved as proposed. Accordingly, the terms of office of all ten Directors will expire once the amendments to the Articles of Incorporation take effect.

Accordingly, the Company requests that six Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) be elected.

The election of the candidates for Director has been determined by the Board of Directors after the deliberations by the Nomination and Remuneration Advisory Committee, which is chaired by an Outside Director.

This proposal will take effect when Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

The candidates for Director are as follows:

No.	Name	Current position	Current responsibility	Attributes
1	Noriaki Taneichi	Representative Director President	Chief Executive Officer	[Re-election]
2	Harutoshi Sato	Director	-	[Re-election]
3	Yusuke Narumi	Director	Officer Department Manager, New Business Development Department	[Re-election]
4	Kosuke Doi	Director	Executive Officer Department Manager, Marketing Department Department Manager, Research and Development Department	[Re-election]
5	Hiroshi Kurimoto	Director	-	[Re-election] [Outside] [Independent Officer]
6	Hiroataka Yamamoto	-	Officer Department Manager, Corporate Planning Department	[New election]

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
1	Noriaki Taneichi (November 23, 1962) [Re-election]	Apr. 1986      Joined the Company June 2009      Department Manager, Marketing Development Business Development Division June 2011      Department Manager, New Business Development Department June 2015      Officer; Deputy Department Manager, New Business Development Department June 2017      Director; Officer; Department Manager, New Business Development Department Jan. 2019      Representative Director, President and Chief Executive Officer (to the present)	24,700 shares
<b>Reasons for nomination as candidate for Director</b> Since assuming the position of Representative Director, President and Chief Executive Officer, Mr. Noriaki Taneichi has led the management of the Group as its top executive and contributed to the Group's further development through the measures in the Medium- to Long-Term Plan. Thus, since the Company judges that Mr. Noriaki Taneichi can be expected to continue contributing to the management of the Company, it requests his election as a Director.			
2	Harutoshi Sato (June 1, 1961) [Re-election]	Apr. 1984      Joined the Company Apr. 2004      General Manager, Quality Assurance Division Apr. 2007      General Manager, Advanced Material Development Division 2 Apr. 2008      General Manager, Advanced Material Development Division 1 June 2009      Officer; Deputy Department Manager, Research and Development Department and General Manager, Advanced Material Development Division 3 June 2011      Officer; Deputy Department Manager, Research and Development Department and General Manager, Advanced Material Development Division 1 June 2012      Director; Officer; Department Manager, Research and Development Department June 2017      Director; Executive Officer; Department Manager, Research and Development Department Mar. 2019      Director; Senior Executive Officer; Department Manager, Research and Development Department Mar. 2022      Director (to the present)	18,600 shares
<b>Reasons for nomination as candidate for Director</b> Mr. Harutoshi Sato has held important positions in the Group, serving in such roles as representative at the U.S. subsidiary, person responsible for quality assurance, and person responsible for product development before assuming the position of Department Manager, Research and Development Department. Owing to this experience, he is well acquainted with the Company's business characteristics and customers and consequently possesses necessary and sufficient knowledge of such matters as important decision-making by the Board of Directors and supervision of duties executed by other Directors. Thus, since the Company judges that Mr. Harutoshi Sato can be expected to strengthen the supervisory function of the Board of Directors through his valuable advice to the management of the Company, it requests his election as a Non-executive director.			

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
3	Yusuke Narumi (December 2, 1965) [Re-election]	Apr. 1988      Joined the Company June 2012      General Manager, Marketing Division Jan. 2019      General Manager, Display and PV Panel Material Marketing Division Apr. 2019      General Manager, Imaging Material Marketing Division Mar. 2020      Officer; Department Manager, New Business Development Department Mar. 2021      Director; Officer; Department Manager, New Business Development Department (to the present)	7,178 shares
<p><b>Reasons for nomination as candidate for Director</b>            Mr. Yusuke Narumi has held important positions in the Group, serving in such roles as representative at the Chinese office, person responsible for sales and marketing of mainstay products before assuming the position of Department Manager, New Business Development Department. Owing to this experience, he is well versed in not only the Company's existing business areas, but also in new business areas, and consequently possesses necessary and sufficient knowledge of such matters as important decision-making by the Board of Directors and supervision of duties executed by other Directors. Thus, since the Company judges that Mr. Yusuke Narumi can be expected to continue contributing to the management of the Company, it requests his election as a Director.</p>			
4	Kosuke Doi (May 10, 1962) [Re-election]	Apr. 1986      Joined the Company June 2009      General Manager, Advanced Material Development Division 1 June 2011      President and Director of TOKYO OHKA KOGYO AMERICA, INC. June 2016      Officer (President and Director of TOKYO OHKA KOGYO AMERICA, INC.) Jan. 2019      Officer; Department Manager, New Business Development Department Mar. 2020      Executive Officer; Department Manager, Marketing Department Mar. 2022      Director; Executive Officer; Department Manager, Marketing Department and Department Manager, Research and Development Department (to the present) (Significant concurrent positions) Director of CHANG CHUN TOK (CHANGSHU) CO., LTD.	10,708 shares
<p><b>Reasons for nomination as candidate for Director</b>            Mr. Kosuke Doi has held important positions in the Group, serving in such roles as President and Director of a U.S. subsidiary, Department Manager of the New Business Development Department, Department Manager of the Marketing Department, and Department Manager of the Research and Development Department. Owing to this experience, he is well acquainted with not only the Company's existing business areas but new business areas as well. He is well acquainted with the Company's business characteristics and customers, and possesses the necessary and sufficient knowledge of such matters as important decision-making by the Board of Directors and supervision of duties executed by other Directors. Thus, since the Company judges that Mr. Kosuke Doi can be expected to continue contributing to the management of the Company, it requests his election as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
5	Hiroshi Kurimoto (August 26, 1947) [Re-election] [Outside Director] [Independent Officer]	Apr. 1970      Joined OILES CORPORATION (“OILES”) June 1999      Director of OILES June 2003      Director; Managing Operating Officer of OILES June 2006      Representative Director, President and Chief Operating Officer of OILES June 2011      Representative Director and Chairman of OILES June 2014      Director (Outside Director) of the Company (to the present) Director and Senior Advisor of OILES June 2015      Senior Advisor of OILES June 2016      Advisor of OILES (Number of years serving as an Outside Director) Eight years and nine months (as of the conclusion of this General Meeting of Shareholders)	1,000 shares
<p><b>Reasons for nomination as candidate for Outside Director and overview of the role expected</b></p> <p>The election of Mr. Hiroshi Kurimoto as Outside Director is proposed to request his supervision of the Company’s management from an objective and neutral point of view based on his abundant experience and considerable insight as an executive of a listed company, as well as his contribution to enhancement of the corporate governance with his advice on the general management of the Company. Moreover, as Mr. Hiroshi Kurimoto can be expected to provide a supervisory function for the decision-making process for the nomination of candidates for officers of the Company and officer remuneration, etc. as chairperson of the Nomination and Remuneration Advisory Committee from an objective and neutral point of view, the Company once again requests his election as an Outside Director.</p>			
6	Hiroataka Yamamoto (January 14, 1970) [New election]	Apr. 1992      Joined the Company Feb. 2013      Plant General Manager of TOK ADVANCED MATERIALS CO., LTD. Mar. 2019      Deputy Department Manager, Corporate Planning Department of the Company Mar. 2020      Officer; Department Manager, Corporate Planning Department (to the present)	5,187 shares
<p><b>Reasons for nomination as candidate for Director</b></p> <p>Mr. Hiroataka Yamamoto has held important positions in the Group, serving in such roles as representative at the U.S. Subsidiary and Plant General Manager of the Korean subsidiary before assuming the position of Department Manager, Corporate Planning Department, and worked as a person responsible for the development of the Group’s Medium- to Long-Term Plan. Owing to this experience, he is well acquainted with the Company’s business strategy and business characteristics and possesses necessary and sufficient knowledge of such matters as important decision-making by the Board of Directors and supervision of duties executed by other Directors. Thus, since the Company judges that Mr. Hiroataka Yamamoto can be expected to contribute to the management of the Company, it newly requests his election as a Director.</p>			

- Notes:
1. No conflict of interest exists between the Company and any of the candidates.
  2. The Company has entered into an agreement for directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company to provide coverage for damages that the insured persons may be incurred due to liability borne from the execution of their duties or claims related to the pursuit of such liability, and the premiums for the insured persons are fully borne by the Company. However, to ensure that the appropriateness of the execution of duties by the insured persons is not impaired, the insurance policy exempts coverage in cases of losses arising from claims for damages due to performance of an illegal act with full knowledge of its illegality. All candidates for Directors will be included as insured persons under this insurance policy. The Company also plans to renew the insurance policy with the same content at the time of the next renewal.
  3. Mr. Hiroshi Kurimoto is a candidate for Outside Director. The Company has designated Mr. Hiroshi Kurimoto as an Independent Officer in accordance with the regulations of the Tokyo Stock Exchange and has notified therein. If his election is approved, the Company plans to continue his Independent Officer designation.
  4. In accordance with the current Articles of Incorporation, the Company is able to enter into liability limitation agreements with Directors (excluding Executive Directors, etc.) that limit the maximum amount of liability provided for in Article 423, paragraph (1) of the Companies Act. The Company has entered into such agreements with Mr. Harutoshi Sato and Mr. Hiroshi Kurimoto. The maximum amount of liability in accordance with the agreement shall be the minimum liability amount stipulated by laws and regulations. If their election is approved, the Company plans to continue such agreements with them.

#### **Proposal No. 4: Election of Four Directors Who Are Audit and Supervisory Committee Members**

The Company will transition to a Company with Audit and Supervisory Committee on the condition that Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved as proposed.

Accordingly, the Company requests that four Directors who are Audit and Supervisory Committee Members be elected.

The election of the candidates for Director who is an Audit and Supervisory Committee Member has been determined by the Board of Directors after the deliberations by the Nomination and Remuneration Advisory Committee, which is chaired by an Outside Director, and the Audit & Supervisory Board has given its approval to the election.

This proposal will take effect when Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

No.	Name	Current position	Current responsibility	Attributes
1	Nobuo Tokutake	Standing Audit & Supervisory Board Member	-	[New election]
2	Noriko Sekiguchi	Director	-	[New election][Outside] [Independent Officer]
3	Kazuo Ichiyonagi	Director	-	[New election][Outside] [Independent Officer]
4	Hisashi Ando	Director	-	[New election][Outside] [Independent Officer]



No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
1	Nobuo Tokutake (April 2, 1961) [New election]	<p>Apr. 1984      Joined the Company</p> <p>Oct. 2003      Chairman and President of TOK TAIWAN CO., LTD.</p> <p>Apr. 2007      General Manager, Quality Assurance Division of the Company</p> <p>June 2009      Senior General Manager, Production Control Division and General Manager, Quality Assurance Division</p> <p>June 2013      Officer; Deputy Department Manager, Manufacturing Department</p> <p>June 2015      Director; Officer; Department Manager, Manufacturing Department</p> <p>Mar. 2020      Standing Audit &amp; Supervisory Board Member (to the present)</p>	4,000 shares
<p><b>Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member</b></p> <p>Mr. Nobuo Tokutake has held important positions in the Group, serving in such roles as product developer, representative at the U.S. subsidiary, and Chairman and President of the Taiwanese subsidiary before assuming the position of Department Manager, Manufacturing Department. Owing to this experience, he is well acquainted with the Group's business characteristics and customers. Moreover, as Mr. Nobuo Tokutake can be expected to supervise and audit the Company's management from an objective and neutral point of view based on his experience as an Audit &amp; Supervisory Board Member of the Company while contributing to enhancement of the corporate governance with his advice on the general management of the Company, the Company newly requests his election as a Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
2	<p>Noriko Sekiguchi (January 23, 1964) [New election] [Outside Director] [Independent Officer]</p>	<p>Mar. 1994 Registered as certified public accountant Jan. 2002 Reregistered as certified public accountant Nov. 2010 Representative of Sekiguchi CPA Office (currently Sekiguchi Noriko CPA Office) (to the present) Apr. 2011 Contract Monitoring Committee Member of Japan International Cooperation Agency ("JICA") July 2011 External Assessment Committee Member of JICA July 2012 Registered as certified tax accountant June 2015 Director (Outside Director) of the Company (to the present) Jan. 2019 Executive Officer of Chifure Holdings Corporation June 2021 Audit &amp; Supervisory Board Member of Oji Holdings Corporation (Independent Outside Audit &amp; Supervisory Board Member) (to the present) June 2022 Corporate Auditor (Outside Corporate Auditor) of Ryoden Corporation (to the present) July 2022 Auditor of JICA (to the present)</p> <p>(Significant concurrent positions) Representative of Sekiguchi Noriko CPA Office Audit &amp; Supervisory Board Member of Oji Holdings Corporation (Independent Outside Audit &amp; Supervisory Board Member) Corporate Auditor (Outside Corporate Auditor) of Ryoden Corporation Auditor of JICA (Number of years serving as an Outside Director) Seven years and nine months (as of the conclusion of this General Meeting of Shareholders)</p>	500 shares
<p><b>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>The election of Ms. Noriko Sekiguchi as Outside Director is proposed to request her supervision and auditing of the Company's management from an objective and neutral point of view based on her sophisticated expertise in accounting as a certified public accountant, abundant experience in several companies, and thorough understanding of internal control in her capacity as an external committee member for fraudulent accounting conducted in multiple listed companies. Moreover, as Ms. Noriko Sekiguchi can be expected to contribute to enhancement of the corporate governance with her advice on the general management of the Company while providing a supervisory function for the decision-making process for the nomination of candidates for officers of the Company and officer remuneration, etc. as member of the Nomination and Remuneration Advisory Committee from an objective and neutral point of view, the Company newly requests her election as an Outside Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
3	Kazuo Ichiyangi (September 26, 1953) [New election] [Outside Director] [Independent Officer]	<p>Mar. 1977      Joined Teikoku Tsushin Kogyo Co., Ltd.</p> <p>Apr. 2005      Executive Officer in charge of Development Department; General Manager, Development Department of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>Apr. 2008      Executive Officer supervising Development Technology and in charge of Development Department of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>Dec. 2008      Executive Officer supervising Development Technology of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>June 2009      Director; Executive Officer supervising Development Technology of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>Oct. 2009      Director; Executive Officer supervising Development Division of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>June 2010      President of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>June 2019      Director and Advisor of Teikoku Tsushin Kogyo Co., Ltd.</p> <p>Mar. 2020      Director (Outside Director) of the Company (to the present)</p> <p>(Number of years serving as an Outside Director) Three years (as of the conclusion of this General Meeting of Shareholders)</p>	1,000 shares
<p><b>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>The election of Mr. Kazuo Ichiyangi as Outside Director is proposed to request his supervision and auditing of the Company's management from an objective and neutral point of view based on his abundant experience and considerable insight as an executive of a listed company, as well as his contribution to enhancement of the corporate governance with his advice on the general management of the Company. Moreover, as Mr. Kazuo Ichiyangi can be expected to provide a supervisory function for the decision-making process for the nomination of candidates for officers of the Company and officer remuneration, etc. as member of the Nomination and Remuneration Advisory Committee from an objective and neutral point of view, the Company newly requests his election as an Outside Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility at the Company, and significant concurrent positions	Number of shares of the Company held
4	<p style="text-align: center;">Hisashi Ando (February 7, 1955) [New election] [Outside Director] [Independent Officer]</p>	<p>Apr. 1979      Joined Sony Chemicals Corporation (currently Dexerials Corporation)</p> <p>Oct. 2006      Corporate Executive; Kanuma Plant Manager of Sony Chemical &amp; Information Device Corporation (currently Dexerials Corporation)</p> <p>Dec. 2007      Executive Officer; Kanuma Plant Manager of Sony Chemical &amp; Information Device Corporation</p> <p>Apr. 2010      Director; Kanuma Plant Manager of Sony Chemical &amp; Information Device Corporation</p> <p>Sept. 2012      Director and Executive Officer; Senior General Manager, Research &amp; Development Division; Kanuma Plant Manager of Dexerials Corporation</p> <p>Apr. 2014      Director and Senior Executive Officer; Senior General Manager, Research &amp; Development Division; Procurement, New Business Planning &amp; Promotion of Dexerials Corporation</p> <p>Apr. 2016      Director and Managing Executive Officer; Officer in charge of Manufacturing &amp; Technology; Corporate R&amp;D Division Head of Dexerials Corporation</p> <p>June 2016      Representative Director and Senior Managing Executive Officer; Corporate R&amp;D Division Head of Dexerials Corporation</p> <p>Jan. 2019      Representative Director and Senior Managing Executive Officer of Dexerials Corporation</p> <p>June 2019      Director and Managing Executive Officer; Lieutenant President of Dexerials Corporation</p> <p>Mar. 2020      Director and Managing Executive Officer; Lieutenant President of Dexerials Corporation; President of Dexerials America Corporation</p> <p>June 2020      Technical Advisor of Dexerials Corporation</p> <p>Mar. 2022      Director (Outside Director) of the Company (to the present)</p> <p>Sept. 2022      Director (Outside Director) of AeroEdge Co., Ltd. (to the present)</p> <p>(Significant concurrent positions) Director (Outside Director) of AeroEdge Co., Ltd. (Number of years serving as an Outside Director) One year (as of the conclusion of this General Meeting of Shareholders)</p>	1,000 shares
<p><b>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected</b></p> <p>The election of Mr. Hisashi Ando as Outside Director is proposed to request his supervision and auditing of the Company's management from an objective and neutral point of view based on his abundant experience and considerable insight as an executive of a listed company, as well as his contribution to enhancement of the corporate governance with his advice on the general management of the Company. Moreover, as Mr. Hisashi Ando can be expected to provide a supervisory function for the decision-making process for the nomination of candidates for officers of the Company and officer remuneration, etc. as member of the Nomination and Remuneration Advisory Committee from an objective and neutral point of view, the Company newly requests his election as an Outside Director who is an Audit and Supervisory Committee Member.</p>			

- Notes:
1. No conflict of interest exists between the Company and any of the candidates.
  2. The Company has entered into an agreement for directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company to provide coverage for damages that the insured persons may be incurred due to liability borne from the execution of their duties or claims related to the pursuit of such liability, and the premiums for the insured persons are fully borne by the Company. However, to ensure that the appropriateness of the execution of duties by the insured persons is not impaired, the insurance policy exempts coverage in cases of losses arising from claims for damages due to performance of an illegal act with full knowledge of its illegality. All candidates for Directors will be included as insured persons under this insurance policy. The Company also plans to renew the insurance policy with the same content at the time of the next renewal.
  3. Ms. Noriko Sekiguchi, Mr. Kazuo Ichiyangi, and Mr. Hisashi Ando are candidates for Outside Director. The Company has designated Ms. Noriko Sekiguchi, Mr. Kazuo Ichiyangi, and Mr. Hisashi Ando as Independent Officers in accordance with the regulations of the Tokyo Stock Exchange and has notified therein. If their election is approved, the Company plans to continue their Independent Officer designation.
  4. In accordance with the current Articles of Incorporation, the Company is able to enter into liability limitation agreements with Directors (excluding Executive Directors, etc.) and Audit & Supervisory Board Members that limit the maximum amount of liability provided for in Article 423, paragraph (1) of the Companies Act. The Company has entered into such agreements with Mr. Nobuo Tokutake, Ms. Noriko Sekiguchi, Mr. Kazuo Ichiyangi, and Mr. Hisashi Ando. The maximum amount of liability in accordance with the agreement shall be the minimum liability amount stipulated by laws and regulations. If the elections of Ms. Noriko Sekiguchi, Mr. Kazuo Ichiyangi, and Mr. Hisashi Ando are approved, the Company plans to continue such agreements with them. If the election of Mr. Nobuo Tokutake is approved, the Company will enter into the same liability limitation agreement with him.

(Reference) Skills and experience required of Directors of the Company  
(planned as of the conclusion of the 93rd Ordinary General Meeting of Shareholders)

Name	Position	Outside	Nomination and Remuneration Advisory Committee	Skills and experience						
				Management experience in other corporate groups	Research & development/ Technology/ Production	Sales/ Marketing	Legal/ Compliance/ Risk management	Finance/ Accounting	Global	Personnel/ Labor
Noriaki Taneichi	Representative Director, President		●		●	●			●	
Harutoshi Sato	Director				●				●	
Yusuke Narumi	Director				●	●			●	
Kosuke Doi	Director				●	●			●	
Hiroataka Yamamoto	Director				●				●	
Hiroshi Kurimoto	Director	●	●	●	●	●	●		●	●
Nobuo Tokutake	Director (Standing Audit and Supervisory Committee Member)				●				●	
Noriko Sekiguchi	Director (Audit and Supervisory Committee Member)	●	●	●				●		
Kazuo Ichiyonagi	Director (Audit and Supervisory Committee Member)	●	●	●	●	●			●	
Hisashi Ando	Director (Audit and Supervisory Committee Member)	●	●	●	●	●				

Note: The above list does not represent all of the skills and experiences possessed by the candidates for Director.

(Reference) Criteria for the independence of outside officers

The Company has prescribed criteria for the independence of outside officers, and an outside officer who does not fall under any of the following is deemed to be independent:

- a. A person who executes the business of the Company or one of its consolidated subsidiaries (hereinafter referred to as “the Group”), or a person who executed the business of the Group during the ten years before taking up the position.
- b. An entity whom the Group is a key customer of (\*1) or a person who executes the business of that entity.
- c. A key customer of the Group (\*2) or a person who executes the business of that customer.
- d. A key lender of the Group (\*3) or a person who executes the business of that lender.
- e. Consultant, accounting expert, or legal expert who receives considerable money and other assets (\*4) that are not officer compensation from the Group (if a corporation, association, or similar entity, a member of that entity).
- f. Party who was any of the above b.– e. within the past three years.
- g. Party who has received an average of ¥3 million or more annually in donations from the Group over the past three years.
- h. A major shareholder (\*5) of the Group or a person who executes the business of that shareholder.
- i. A person who executes the business of another company that has a reciprocal outside officer employment relationship (\*6).
- j. Party whose spouse and family member of second degree of closer is any of a.– i.
- k. Regardless of the stipulations of the preceding items, parties for whom a conflict of interest with the Company could arise.

Note 1. “Entity whom the Group is a key customer of” refers to a vendor who supplies the Group with products, services, etc., the value of which averages ¥10 million or more annually over the past three years and exceeds 2% of the vendor’s annual consolidated sales for the most recent fiscal year.

Note 2. “Key customer of the Group” refers to a customer to whom the Group supplies products, services, etc., the value of which averages ¥10 million or more annually over the past three years and exceeds 2% of the Group’s annual consolidated sales for the most recent fiscal year.

Note 3. “Key lender of the Group” refers to a financial institution whose loans are equivalent to 2% or more of the Group’s consolidated total assets.

Note 4. “Considerable money and other assets” refers to an average of ¥10 million or more annually over the past three years and assets with an economic value that exceeds 2% of annual consolidated sales for the consultant, accounting expert, or legal expert in the most recent fiscal year (if a corporation, association or similar entity receives these assets, an average of ¥10 million or more annually over the past three years and assets with an economic value of more than 2% of the entity’s annual consolidated sales in the most recent fiscal year).

Note 5. “Major shareholder” refers to a shareholder who holds 10% or more of voting rights.

Note 6. “Reciprocal outside officer employment relationship” refers to a relationship in which a person who executes the business of the Group is an outside officer of another company, and a person who executes the business of that other company is an outside officer of the Company.

**Proposal No. 5: Setting of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

Regarding the amount of remuneration for Directors of the Company, at the 90th Ordinary General Meeting of Shareholders held on March 27, 2020, it was approved to place separate upper limits on basic remuneration and performance-linked bonuses, setting an upper limit on basic remuneration of ¥450 million per year (including remuneration for Outside Directors, which is subject to an upper limit of ¥50 million per year) and an upper limit on performance-linked bonuses of ¥220 million per year. At the 92nd Ordinary General Meeting of Shareholders held on March 30, 2022, the amount of remuneration for Outside Directors of the Company was approved to be revised to no more than ¥80 million per year, a situation that has continued until today.

The Company will transition to a Company with Audit and Supervisory Committee, on the condition that Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved as proposed.

Accordingly, in connection with the transition to a Company with Audit and Supervisory Committee, the Company is seeking approval to abolish the current provisions regarding the amount of remuneration for Directors and to newly set an upper limit on basic remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to ¥370 million per year (including remuneration for Outside Directors, which is subject to an upper limit of ¥40 million per year) and an upper limit on performance-linked bonuses for Directors (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors and Non-executive Directors) to ¥180 million per year, considering various circumstances including economic situation. The above remuneration and bonuses for Directors include Officer portions payable to Directors concurrently serving as Officers.

If this proposal is approved, the Company plans to make an amendment to the terminology or other change to the Company's policy for determining the details of remuneration, etc. for individual Directors in connection with the Company's transition to a Company with Audit and Supervisory Committee. The contents of this proposal are necessary and reasonable to determine the details of remuneration, etc. for individual Directors in accordance with the amended policy, and this proposal has also been deliberated by the Nomination and Remuneration Advisory Committee, which is chaired by an Outside Director, and the Board of Directors thus judges this proposal to be reasonable.

The Company has currently ten Directors, of which four are Outside Directors, and will have six Directors (excluding Directors who are Audit and Supervisory Committee Members), of which one will be an Outside Director and one will be a Non-executive Director, if Proposal No. 2 (Partial Amendments to the Articles of Incorporation) and Proposal No. 3 (Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)) are approved as proposed.

This proposal will take effect when Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.



**Proposal No. 6: Setting of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members**

The Company will transition to a Company with Audit and Supervisory Committee, on the condition that Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved as proposed.

Accordingly, in connection with the transition to a Company with Audit and Supervisory Committee, the Company is seeking approval to set an upper limit on remuneration for Directors who are Audit and Supervisory Committee Members to ¥100 million per year, considering the duties and responsibilities of Directors who are Audit and Supervisory Committee Members and various circumstances including economic situation. The remuneration for Directors who are Audit and Supervisory Committee Members consists solely of basic remuneration in the form of a fixed salary.

The contents of this proposal are necessary and reasonable to determine the details of remuneration, etc. for individual Directors who are Audit and Supervisory Committee Members in accordance with the Company's policy for determining remuneration, etc. for individual Directors after the amendment as described in Proposal No. 5 (Setting of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)), and this proposal has also been deliberated by the Nomination and Remuneration Advisory Committee, which is chaired by an Outside Director, and the Board of Directors thus judges this proposal to be reasonable. The Company will have four Directors who are Audit and Supervisory Committee Members if Proposal No. 2 (Partial Amendments to the Articles of Incorporation) and Proposal No. 4 (Election of Four Directors Who Are Audit and Supervisory Committee Members) are approved as proposed.

This proposal will take effect when Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

**Proposal No. 7: Determination of the Details of the Share-Based Remuneration Plan for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members, Outside Directors and Non-executive Directors)**

1. Reasons for the proposal

At the 90th Ordinary General Meeting of Shareholders held on March 27, 2020, it was approved that the Company would set, separately from basic remuneration and performance-linked bonuses, the upper limit of the total amount of monetary remuneration claims and funds for tax payment provided to Directors (excluding Outside Directors) as remuneration, etc. related to the performance-linked share-based remuneration plan to an amount per fiscal year equivalent to 58,000 shares multiplied by the stock price at the time of allotment (\*) and to set the upper limit for total amount of monetary remuneration claims provided to Directors (excluding Outside Directors) as remuneration, etc. related to the restricted shares remuneration plan to ¥150 million per year, in order to provide such Directors with an incentive to sustainably increase the Company's corporate value and to further promote the sharing of values with shareholders, a situation that has continued until today.

The Company will transition to a Company with Audit and Supervisory Committee, on the condition that Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved as proposed.

Accordingly, in connection with the transition to a Company with Audit and Supervisory Committee, the Company is seeking approval to abolish the current remuneration limit related to the share-based remuneration plan for Directors (excluding Outside Directors) and to newly set the upper limit of the total amount of monetary remuneration claims and funds for tax payment provided to Directors (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors and Non-executive Directors) (hereinafter referred to as "Eligible Directors") as remuneration, etc. related to the performance-linked share-based remuneration plan outlined in 2 below to an amount per fiscal year equivalent to 47,000 shares multiplied by the stock price at the time of allotment (\*) and set the upper limit for total amount of monetary remuneration claims provided to Eligible Directors as remuneration, etc. related to the restricted shares remuneration plan outlined in 3 below to ¥120 million per year, thereby maintaining the share-based remuneration plan. Each of the above remunerations for Directors includes Officer portions payable to Directors concurrently serving as Officers.

The purpose and basic mechanism of the share-based remuneration plan itself in this proposal is the same as that of the share-based remuneration plan approved at the 90th Ordinary General Meeting of Shareholders held on March 27, 2020, and the contents of this proposal are necessary and reasonable to determine the details of remuneration, etc. for individual Eligible Directors in accordance with the Company's policy for determining remuneration, etc. for individual Directors after the amendment as described in Proposal No. 5 (Setting of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)), and this proposal has also been deliberated by the Nomination and Remuneration Advisory Committee, which is chaired by an Outside Director, and the Board of Directors thus judges this proposal to be reasonable.

These remunerations, similarly to the remuneration under the current share-based remuneration plan, will be set separately from the monetary remuneration for which the Company is seeking approval in Proposal No. 5 (Setting of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)).

The Company will have four Eligible Directors if Proposal No. 2 (Partial Amendments to the Articles of Incorporation) and Proposal No. 3 (Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)) are approved as proposed.

This proposal will take effect when Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

\* This is an amount determined by the Company's Board of Directors based on the closing price of the Company's shares on the Tokyo Stock Exchange on the business day immediately before the date of the resolution by the Board of Directors regarding allotment of shares according to the performance-linked share-based remuneration plan (if there is no closing price on such date, the closing price on the closest preceding trading day) after the end of the Performance Evaluation Period, within the extent that the amount will not be particularly advantageous to Eligible Directors receiving the Company's shares.

2. Details of the performance-linked share-based remuneration plan (hereinafter referred to as "Plan 1")

(1) Outline of Plan 1

For Plan 1, the Company's Board of Directors sets numerical targets for the Company's performance and other matters, for the duration of an evaluation period that consists of multiple years (two to five years; determined by the Company) of the Company's fiscal years (hereinafter referred to as "Performance Evaluation Period"), in advance. Eligible Directors will receive monetary remuneration claims for common shares of the Company (hereinafter referred to as "Company's Shares"), the number of which is proportional to the achievement ratio

of the numerical targets, and the amount of cash to cover tax payment obligations in connection with the allotment of the Company's Shares (hereinafter referred to as "Tax Payment Money"), as remuneration for the Performance Evaluation Period. Therefore, in principle, the monetary remuneration claims for the allotment of the Company's Shares and the Tax Payment Money are paid to the Eligible Directors after the end of a Performance Evaluation Period. For this Plan 1, the payment of monetary remuneration claims for the Company's Shares and Tax Payment Money is based on factors such as the achievement ratio for the aforementioned numerical targets. Therefore, at the time of introduction of Plan 1, whether each Eligible Director will be paid, the number of the Company's Shares to be granted (hereinafter referred to as "Number of Granted Shares"), and the amount of monetary remuneration claims for the Company's Shares and Tax Payment Money, are not determined.

The Performance Evaluation Period is the three year period from the fiscal year ended December 31, 2022 through the fiscal year ending December 31, 2024. After the end of the Performance Evaluation Period, the Company's Board of Directors may still approve the continuation of Plan 1, within the scope approved at this General Meeting of Shareholders.

## (2) Mechanism of Plan 1

The following is the detailed mechanism of Plan 1:

- (i) The Company's Board of Directors determines various indicators required for calculating the Number of Granted Shares used for Plan 1, including the numerical targets used for Plan 1, performance-linked coefficient, etc.
- (ii) At the end of the Performance Evaluation Period, the Company determines the number of the Company's Shares and amount of cash to allot to each Eligible Director according to factors including the achievement ratio for each numerical target during the Performance Evaluation Period.
- (iii) By resolution of the Board of Directors of the Company, each Eligible Director shall receive monetary remuneration claims as compensation in relation to Plan 1, proportional to the number of the Company's Shares to be allotted to each Eligible Director determined upon in (ii) above, and each Eligible Director shall be allotted the said number of the Company's Shares by providing all of the monetary remuneration claims in the form of property contributed in kind. The amount to be paid in for the Company's Shares shall be determined by the Board of Directors based on the closing price of the Company's Shares on the Tokyo Stock Exchange on the business day immediately before the date of the resolution by the Board of Directors regarding the above allotment of shares (if there is no closing price on such date, the closing price on the closest preceding trading day), within the extent that the amount will not be particularly advantageous to the Eligible Directors receiving the Company's Shares.
- (iv) Because tax payment obligations will arise for each Eligible Director when allotted the Company's Shares as described in (iii) above, in addition to the above monetary remuneration claims, the Company shall pay an amount of cash determined in (ii) above to secure funds for tax payment (Tax Payment Money) for each Eligible Director.
- (v) The terms and conditions for granting shares to each Eligible Director and other details shall be determined by the Board of Directors of the Company.

## (3) Method for calculating the number of the Company's Shares granted and amount of cash paid to Eligible Directors

The Company calculates the number of the Company's Shares to grant each Eligible Director using formula (i) below (Fractions of less than 100 shares shall be rounded down) and the amount of cash (Tax Payment Money) for each Eligible Director using formula (ii).

- (i) Number of the Company's Shares granted to each Eligible Director  
Standard share unit number (\*1) x Payment rate (\*2) x 50%
- (ii) Amount of cash to be paid to each Eligible Director  
(Standard share unit number (\*1) x Payment ratio (\*2) - Number of the Company's Shares calculated in (i) above) x Stock price at the time of allotment (\*3)

(\*1) This is determined by the Company's Board of Directors based on the position of each Eligible Director.

(\*2) A method stipulated by the Company's Board of Directors is used to calculate the figure, which ranges between 0% and 200% and is proportional to the achievement ratio for each numerical target during the Performance Evaluation Period.

(\*3) This is an amount determined by the Company's Board of Directors based on the closing price of the Company's Shares on the Tokyo Stock Exchange on the business day immediately before the date of the resolution by the Board of Directors regarding allotment of the Company's Shares according to this Plan 1 (if there is no closing price on such date, the closing price on the closest preceding trading day) after the

end of the Performance Evaluation Period, within the extent that the amount will not be particularly advantageous to Eligible Directors receiving the Company's Shares.

The Company proposes to set the upper limit for the total value of monetary remuneration claims referred to in (2)(iii) above, and the cash (Tax Payment Money) referred to in (2)(iv) above, to an amount per fiscal year equivalent to 47,000 shares multiplied by the stock price at the time of allotment. The upper limit on the total number of the Company's Shares allotted by the Company to Eligible Directors under Plan 1 shall be 23,500 shares per fiscal year (the maximum number allotted per year is equivalent to approximately 0.06% of the 42,600,000 shares issued as of December 31, 2022).

If the allotment of the Company's Shares calculated based on the method described in (i) results in the above total number of the Company's Shares to be allotted to the Eligible Directors being exceeded, the number of shares allocated to each Eligible Director shall be reduced on a pro rata basis or by other reasonable method stipulated by the Company's Board of Directors, so that the total number of shares is not exceeded.

In addition, if, during the Performance Evaluation Period, approval for reorganization, such as a merger agreement in which the Company is the dissolving company, decided upon by the Company's Board of Directors (hereinafter referred to as "Material Reorganization, etc."), is obtained at the Company's General Meeting of Shareholders (or at a meeting of the Company's Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required for the Material Reorganization, etc.) (this is limited to when the effective date of the Material Reorganization, etc., falls before the date shares are granted based on Plan 1), an amount adjusted using a reasonable method stipulated by the Board of Directors shall be paid to Eligible Directors on the effective date of the Material Reorganization, etc.

If, on or after the day on which this proposal is approved, a share split (including allotment of the Company's Shares without contribution) or a reverse share split of the Company's Shares is performed, or some other event corresponding to these situations arises that requires adjustment of the total number of shares allotted under Plan 1, the total number of the Company's Shares used as the basis of calculation for the above remuneration amount and the total number of the Company's Shares allotted to Eligible Directors shall be adjusted in accordance with the share split or reverse share split ratio.

(4) Terms and conditions for granting the Company's Shares to each Eligible Director

Under Plan 1, in the event that the Performance Evaluation Period ends and the following conditions have been met, the Company's Shares will be granted and money will be paid to each Eligible Director in accordance with the method of calculation described in (3) above. When the Company allots the Company's Shares, it shall do so by issuing shares or by disposing of its treasury shares. Directors to whom the Company's Shares shall be allotted and offering terms for the issuance of shares or disposal of treasury shares will be determined by the Board of Directors of the Company after the Performance Evaluation Period has expired.

- (i) Eligible Directors continued to serve as Directors of the Company during the Performance Evaluation Period (\*)
- (ii) Certain prohibited acts, as determined by the Board of Directors of the Company, have not been performed
- (iii) Other requirements determined by the Board of Directors of the Company as being necessary for achieving the aims of the performance-linked share-based remuneration plan

\* In cases where an Eligible Director resigns before the end of the Performance Evaluation Period, the Company's Shares and a cash amount shall be granted and paid in proportion to the number of units allocated, based on a reasonable method stipulated by the Board of Directors, and prorated for the term of service during the Performance Evaluation Period up to resignation. For a Director who assumes position during the Performance Evaluation Period, the Company's Shares and a cash amount shall be granted and paid in proportion to the number of units allocated during their term of service.

3. Details of the restricted shares remuneration plan (hereinafter referred to as "Plan 2")

(1) Outline of Plan 2

Plan 2 is a system in which, based on a resolution by the Company's Board of Directors, monetary remuneration claims are paid each fiscal year as restricted shares remuneration, and each Eligible Director receives the allotment of the Company's Shares by providing all of the monetary remuneration claims in the form of property contributed in kind.

The amount to be paid in for the Company's Shares shall be determined by the Board of Directors based on the closing price of the Company's Shares on the Tokyo Stock Exchange on the business day immediately before the date of the resolution by the Board of Directors regarding the above allotment of shares (if there is no

closing price on such date, the closing price on the closest preceding trading day), within the extent that the amount will not be particularly advantageous to the Eligible Directors receiving the Company's Shares. When issuing or disposing of the Company's Shares under Plan 2, an agreement on allotment of shares with transfer restrictions (hereinafter referred to as the "Allotment Agreement") shall be entered into between the Company and each Eligible Director.

(2) Total number of restricted shares

Under Plan 2, the upper limit of the total amount of monetary remuneration claims the Company pays each fiscal year is ¥120 million annually. The upper limit on the number of the Company's Shares that Eligible Directors receive from the Company in a single fiscal year by providing all of the monetary remuneration claims in the form of property contributed in kind is 47,000 shares (the maximum number allotted per year is equivalent to approximately 0.11% of the 42,600,000 shares issued as of December 31, 2022). However, if the allotment of the Company's Shares results in the above total number of the Company's Shares to be allotted to the Eligible Directors being exceeded, the number of shares allocated to each Eligible Director shall be reduced on a pro rata basis or by other reasonable method stipulated by the Company's Board of Directors, so that the total number of shares is not exceeded. If, on or after the day on which this proposal is approved, a share split (including allotment of the Company's Shares without contribution) or a reverse share split of the Company's Shares is performed, or in the event of other equivalent cases in which it is necessary to adjust the total number of restricted shares allotted, the total number of such Company's Shares shall be reasonably adjusted.

(3) Outline of the Allotment Agreement

The following is a summary of the Allotment Agreement:

(i) Restriction on transfers

Eligible Directors are prohibited from transferring, using as collateral, or disposing of the Company's Shares allotted to the Eligible Directors based on the Allotment Agreement (hereinafter referred to as "Allotted Shares") during a restriction period established by the Company's Board of Directors in advance, ranging from three to 30 years from the day the shares are allotted to the Eligible Directors under the Allotment Agreement (hereinafter referred to as "Restriction Period"). The restrictions described in the preceding sentence will hereinafter be referred to as the "Restriction on Transfers."

(ii) Treatment upon retirement from position

If an Eligible Director retires or resigns from their position before the Restriction Period expires and ceases to serve as a Director, Officer, Audit & Supervisory Board Member, employee or any other equivalent positions of the Company (hereinafter referred to as "Position") stipulated in advance by the Board of Directors of the Company, the Company shall automatically acquire such Allotted Shares without contribution upon their retirement or resignation, unless the reason for retirement or resignation from office is the expiration of the term of office, death, or some other reason the Company's Board of Directors deems justifiable.

(iii) Lifting of Restriction on Transfers

When the Restriction Period ends, the Company lifts Restriction on Transfers of all Allotted Shares on the condition that an Eligible Director maintained their Position throughout the Restriction Period. However, if an Eligible Director retires or resigns from any of their Position before the end of the Restriction Period due to the expiration of their term of office, death, or other reasons deemed justifiable by the Board of Directors of the Company, the number of Allotted Shares on which Restriction on Transfers is to be lifted and the timing of when the Restriction on Transfers is to be lifted shall be reasonably adjusted as necessary. The Company shall automatically acquire without contribution the Allotted Shares on which the Restriction on Transfers has not been lifted as of the time immediately after the lifting of Restriction on Transfers in line with the above stipulations.

(iv) Treatment during reorganization, etc.

Notwithstanding the provision of (i) above, if, during the Restriction Period, matters relating to a Material Reorganization, etc., are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the Material Reorganization, etc.), the Company shall lift the Restriction on Transfers of the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the Material Reorganization, etc. prior to the date on which the Material Reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In this case, the Company shall automatically acquire without contribution the Allotted Shares on which the Restriction on Transfers has not been lifted as of the time immediately after the Restriction on Transfers was lifted.

(v) Other matters determined by the Board of Directors

Other matters shall be determined by the Company's Board of Directors.

(Reference)

After the approval of a performance-linked share-based remuneration plan and restricted shares remuneration plan at the 90th Ordinary General Meeting of Shareholders held on March 27, 2020, the Company has introduced the performance-linked share-based remuneration plan and restricted shares remuneration plan for Officers who do not concurrently serve as Directors of the Company, and intends to continue the same plans.