

*ENGLISH TRANSLATION FOR REFERENCE PURPOSE ONLY*

*This notice is an English translation of the original Japanese text of the timely disclosure statement dated May 26, 2022 issued by Daio Paper Corporation, and is for reference purposes only. In the event of any discrepancy between the original Japanese text and this English translation, the Japanese text shall prevail.*

May 26, 2022

To Whom It May Concern:

Name of Company: Daio Paper Corporation  
Name of Representative: Yorifusa Wakabayashi  
President and Representative Director  
Chief Executive Officer  
Securities Code: 3880  
(Prime Market, Tokyo Stock Exchange)  
Contact Person: Shuhei Shinagawa  
Senior Executive Officer  
General Manager of Corporate Planning Division  
Telephone No.: +81 3 6856 7502

**Regarding Partial Amendments to the Articles of Incorporation**

Daio Paper Corporation (hereinafter referred to as the “Company” or “we”) hereby announces that we have resolved at the Board of Directors meeting held on May 26, 2022, to submit the proposal of “Partial Amendments to the Articles of Incorporation” for approval at the 111th Annual General Meeting of Shareholders scheduled to be held on June 29, 2022, as follows.

1. Reasons for amendments to the Articles of Incorporation

- (1) Partial additions will be made to the provision of Article 3 (Purposes) of the current Articles of Incorporation in order to prepare for the Group’s diversification of business activities and future business development.
- (2) The electronic provision system for materials for the general meeting of shareholders, as stipulated in the amending provisions in the proviso to Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019), will come into force on September 1, 2022. To prepare for implementation of such system, the Company proposes to newly establish Article 14 (Electronic Provision Measure, etc.) specifying that an electronic provision measure shall be taken for information that constitutes the contents of reference documents, etc., for the General Meeting of Shareholders and that the documents to be delivered to shareholders who submit a request for the delivery of written documents may include a limited scope of matters.

In addition, the current provisions of Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders become unnecessary. Consequently, current Article 14 (Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders) of the Articles of Incorporation will be deleted and Supplementary Provisions regarding the effective date associated with these amendments will be established.

- (3) On April 1, 2021, the Company changed the senior management structure and revised the executive officer system for the purposes of expediting the managerial decision-making process and strengthening the oversight function of the Board of Directors.

In accordance with this change, of the current Articles of Incorporation, (i) Article 18 (Number of Directors) will be amended to reduce the maximum number of directors from 20 to 15 in order to invigorate Board meetings, expedite the decision-making process and thereby improve management efficiency; (ii) Article 20 (Term of Office) will be amended to reduce the duration of the term of office of directors from two years to one year in order to clarify the accountability of management, provide a sense of urgency for the directors to manage the Company, and increase the opportunities to seek the confidence of shareholders; (iii) Article 21 (Representative Directors, etc.) will be amended to revise the provision of directors with special titles; and (iv) Article 27 (Executive Officers) will be newly established to add the provision regarding executive officers.

- (4) In addition to the above, some of the article numbers will be changed as necessary according to the additions and deletions of the articles.

## 2. Details of amendments to the Articles of Incorporation

The amendments to the Articles of Incorporation are detailed in the appendix.

## 3. Schedule

Date of the General Meeting of Shareholders of the Company deliberating on the amendments to the Articles of Incorporation: Wednesday, June 29, 2022

Effective date of the amendments to the Articles of Incorporation: Wednesday, June 29, 2022

(Underlined parts indicate the amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Articles 1. - 2. (Provisions omitted) (Purposes)</p> <p>Article 3. The purpose of the Company shall be to conduct the following business activities: (1) Manufacturing, converting and buying/selling of paper, pulp products, and by-products thereof.</p> <p>(2) - (3) (Provisions omitted) (New)</p> <p>(4) - (22) (Provisions omitted)</p> <p>Articles 4. - 13. (Provisions omitted)</p> <p>Chapter 3: General Meeting of Shareholders (Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders)</p> <p><u>Article 14. When convening the General Meeting of Shareholders, the Company may be deemed to have provided shareholders with information on the matters that should be described or displayed in the reference documents for the General Meeting of Shareholders, business reports, financial statements, and consolidated financial statements, if they are disclosed by the method of utilizing the internet in accordance with the Ordinance of the Ministry of Justice.</u></p> <p>(New)</p> <p>Articles 15. - 17. (Provisions omitted)</p>	<p>Articles 1. - 2. (Unchanged) (Purposes)</p> <p>Article 3. The purpose of the Company shall be to conduct the following business activities: (1) Manufacturing, converting and buying/selling of paper, pulp, <u>non-woven fabric products</u>, and by-products thereof.</p> <p>(2) - (3) (Unchanged)</p> <p><u>(4) Manufacturing, converting and buying/selling of cellulose nanofiber.</u></p> <p>(5) - (23) (Unchanged)</p> <p>Articles 4. - 13. (Unchanged)</p> <p>Chapter 3: General Meeting of Shareholders</p> <p>(Deleted)</p> <p><u>(Electronic provision measure, etc.)</u></p> <p><u>Article 14.</u></p> <p><u>1. When convening the General Meeting of Shareholders, the Company shall take an electronic provision measure for information that constitutes the contents of reference documents, etc., for the General Meeting of Shareholders.</u></p> <p><u>2. The Company may not include all or part of the matters for an electronic provision measure as set forth in the Ordinance of the Ministry of Justice in the documents to be delivered to shareholders who submit a request for the delivery of written documents by the record date for voting rights.</u></p> <p>Articles 15. - 17. (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p>Chapter IV. <u>Directors and Board of Directors</u></p> <p>(Number of Directors)  Article 18. The Company shall have no more than <u>20</u> directors.</p> <p>Article 19. (Provisions omitted)  (Term of Office)</p> <p>Article 20. The term of office of each director shall expire at the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within <u>two years</u> following their election.</p> <p>2 (Provisions omitted)  3 (Provisions omitted)</p> <p>(Representative Director and Others)  Article 21. The Board of Directors may elect, by its resolution, the Chairperson of the Board of Directors, President and Director, Executive Vice Presidents and Directors, <u>Directors and Senior Managing Executive Officers, and Directors and Managing Executive Officers.</u></p> <p>2 (Provisions omitted)  <u>3 The Chairperson of the Board of Directors shall provide comprehensive supervision over the Company' s over all business. President and Director shall supervise the Company' s over all business. Executive Vice President and Director, Directors and Senior Managing Executive Officers, and Directors and Managing Executive Officers shall support President and Director and be responsible for execution of day-to-day business operations of the Company.</u></p> <p>Articles 22. - 26. (Provisions omitted)  (New)</p> <p>Articles <u>27. - 38.</u> (Provisions omitted)</p>	<p>Chapter IV. <u>Directors, Board of Directors and Executive Officers</u></p> <p>(Number of Directors)  Article 18. The Company shall have no more than <u>15</u> directors.</p> <p>Article 19. (Unchanged)  (Term of Office)</p> <p>Article 20. The term of office of each director shall expire at the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within <u>one year</u> following their election.</p> <p>2 (Unchanged)  3 (Unchanged)</p> <p>(Representative Director and Others)  Article 21. The Board of Directors may elect, by its resolution, the Chairperson of the Board of Directors, President and Director, <u>and</u> Executive Vice Presidents and Directors.</p> <p>2 (Unchanged)  (Deleted)</p> <p>Articles 22. - 26. (Unchanged)  (Executive Officers)</p> <p>Article <u>27. The Board of Directors may appoint, by its resolution, executive officers and have them execute the Company' s business.</u></p> <p>Articles <u>28. - 39.</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
(New)	<p data-bbox="852 271 1171 297"><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="874 309 1461 815">1. <u>The deletion of Article 14 (Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders) of the Articles of Incorporation before amended and the new establishment of Article 14 (Electronic provision measure, etc.) of the Articles of Incorporation after amended shall come into effect as from September 1, 2022 (hereinafter, “Effective Date”) that is the date of enforcement of the amended provisions stipulated in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019).</u></li> <li data-bbox="874 831 1461 1151">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 14 (Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders) of the Articles of Incorporation before amended shall remain effective at the General Meeting of Shareholders that is held on a day within six months from the Effective Date.</u></li> <li data-bbox="874 1167 1461 1373">3. <u>These Supplementary Provisions shall be deleted after the later of either the date six months from the Effective Date or the date three months from the date of the General Meeting of Shareholders as set forth in the preceding paragraph.</u></li> </ol>