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(Stock Exchange Code: 3880)
June 10, 2022

To Our Shareholders:

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

NOTICE OF THE 111TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We hereby announce that the 111th Annual General Meeting of Shareholders of Daio Paper Corporation (the “Company”) will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:30 p.m. on Tuesday, June 28, 2022, Japan time.

- 1. Date and Time:** Wednesday, June 29, 2022 at 10:00 a.m. Japan time
(Reception starts and doors open at 9:10 a.m.)
- 2. Place:** Convention Hall on the 8th floor of Shikoku Headquarters & Production Center of the Company
628 Mishimakamiya-cho, Shikokuchuo City, Ehime Prefecture, Japan
- 3. Meeting Agenda:**
Matters to be Reported:
 1. Business Report, Consolidated Financial Statements, and Results of the Audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the Company’s 111th Fiscal Year (April 1, 2021 - March 31, 2022)
 2. Non-Consolidated Financial Statements for the Company’s 111th Fiscal Year (April 1, 2021 - March 31, 2022)

Proposals to be Resolved:

- | | |
|--------------------|--|
| Proposal 1: | Appropriation of Surplus |
| Proposal 2: | Partial Amendments to the Articles of Incorporation |
| Proposal 3: | Election of Twelve (12) Directors |

- If the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements are amended, the amended items will be announced on the Company's website (<https://www.daio-paper.co.jp/>).
- Of the documents to be provided along with this Notice, the Company's Systems and Policies, which is part of the Business Report, the Consolidated Statement of Changes in Equity and the Notes to Consolidated Financial Statements of the Consolidated Financial Statements and the Non-Consolidated Statement of Changes in Equity and the Notes to Non-Consolidated Financial Statements of the Non-Consolidated Financial Statements are made available to shareholders through the Company's website (<https://www.daio-paper.co.jp/>) pursuant to the provisions of laws, regulations and Article 14 of the Company's Articles of Incorporation, and therefore are not included in this Notice.
The Non-Consolidated Financial Statements and the Consolidated Financial Statements attached to this Notice are a subset of the documents that were audited by Audit & Supervisory Board Members and the Audit & Supervisory Board for the preparation of the Audit Report, as well as the Accounting Auditor for the preparation of the Accounting Audit Report.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

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

For the fiscal year ended March 31, 2022, taking into consideration the business performance and financial condition for the year, among other factors, we propose an increase of ¥2.00 per common share of the Company to ¥12.00 (annual dividend of ¥22.00) as described below.

Matters relating to year-end dividends

- | | |
|---|--|
| [1] Dividend type | Cash |
| [2] Dividend allocation and total dividend payment | We propose a year-end dividend of ¥12.00 per common share of the Company.
The total amount of dividends will be ¥2,011,552,272. |
| [3] Effective date of distributing dividends from surplus | We propose that the effective date of distributing dividends from surplus be June 30, 2022. |

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (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. Description of the amendments

Details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
Articles 1. – 2. (Provisions omitted) (Purposes) 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. (2) – (3) (Provisions omitted) (New) (4) – (22) (Provisions omitted)	Articles 1. – 2. (Unchanged) (Purposes) 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</u> products, and by-products thereof. (2) – (3) (Unchanged) (4) <u>Manufacturing, converting and buying/selling of cellulose nanofibers</u> (5) – (23) (Unchanged)
Articles 4. – 13. (Provisions omitted)	Articles 4. – 13. (Unchanged)
<u>(Disclosure via the internet and deemed provision of reference documents, etc. for General Meeting of Shareholders)</u> <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,</u>	(Deleted)

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.

(New)

Articles 15. – 17. (Provisions omitted)

Chapter IV. Directors and Board of Directors

(Number of Directors)

Article 18. The Company shall have no more than 20 directors.

Article 19. (Provisions omitted)

(Term of Office)

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 two years following their election.

2. (Omitted)
3. (Omitted)

(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, Directors and Senior Managing Executive Officers, and Directors and Managing Executive Officers.

2. (Omitted)
3. The Chairperson of the Board of Directors shall provide comprehensive supervision over the Company's overall business. President and Director shall supervise the Company's overall 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

(Measures for Electronic Provision, Etc.)
(Electronic provision measure, etc.)

Article 14.

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.
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.

Articles 15. – 17. (Unchanged)

Chapter IV. Directors, Board of Directors, and Executive Officers

(Number of Directors)

Article 18. The Company shall have no more than 15 directors.

Article 19. (Unchanged)

(Term of Office)

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 one year following their election.

2. (Unchanged)
3. (Unchanged)

(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, and Executive Vice Presidents and Directors.

2. (Unchanged)
(Deleted)

business operations of the Company.

Articles 22. – 26. (Provisions omitted)

(New)

Articles 27. – 38. (Provisions omitted)

(New)

Articles 22. – 26. (Unchanged)

(Executive Officers)

Article 27. The Board of Directors may appoint, by its resolution, executive officers and have them execute the Company’s business.

Articles 28. – 39. (Unchanged)

(Supplementary Provisions)

1. 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)
2. 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 in force with respect to a General Meeting of Shareholders to be held on a day within six months from the Effective Date.
3. 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.

Proposal 3: Election of Twelve (12) Directors

Of the twelve (12) Directors elected in the Company's 110th Annual General Meeting of Shareholders held on June 29, 2021, one (1) Outside Director resigned on February 28, 2022. In addition, if Proposal 2 "Partial Amendments to the Articles of Incorporation" is approved as originally proposed, the terms of office of the Company's Directors will be changed from two (2) years to one (1) year, and thus the terms of office of all remaining eleven (11) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, we propose the election of twelve (12) Directors.

Note that the eleven (11) Directors currently in service (Candidate Nos. 1 - 11) are nominated for election on the condition that Proposal 2 "Partial Amendments to the Articles of Incorporation" will be approved.

The candidates for Director are as follows:

Candidate No.	Name		Current position, etc. at the Company
1	Re-appointment	Masayoshi Sako	Chairperson and Representative Director
2	Re-appointment	Yorifusa Wakabayashi	President and Representative Director Chief Executive Officer
3	Re-appointment	Toshihiro Adachi	Executive Vice President and Representative Director Executive Vice President
4	Re-appointment	Kunihiro Okazaki	Executive Vice President and Representative Director Executive Vice President
5	Re-appointment	Hiroshi Yamasaki	Director Managing Executive Officer
6	Re-appointment	Yukihiro Tanaka	Director Managing Executive Officer
7	Re-appointment	Atsushi Ishida	Director Managing Executive Officer
8	Re-appointment	Hiroyuki Shidara	Director Managing Executive Officer
9	Re-appointment	Yoichi Takei	Outside Director Independent Director
10	Re-appointment	Yoshinobu Hiraishi	Outside Director Independent Director
11	Re-appointment	Haruko Ozeki	Outside Director Independent Director
12	New appointment	Naosuke Oda	Outside Director Independent Director

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Masayoshi Sako</p> <p>October 28, 1955 (Age 66)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 17 years</p> <p><Re-appointment></p>	<p>April 1978 Joined the Company</p> <p>January 2005 General Manager of Sales Promotion Division, Home & Personal Care Business Group of the Company</p> <p>June 2005 Director and Managing Executive Officer of the Company</p> <p>June 2006 Director and Senior Managing Executive Officer of the Company</p> <p>June 2008 Executive Vice President and Director of the Company</p> <p>June 2011 President and Representative Director of the Company</p> <p>April 2021 Chairperson and Representative Director of the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Masayoshi Sako has engaged in the paper and paperboard business and household paper products business. After holding the positions of Director and Managing Executive Officer, Director and Senior Managing Executive Officer, Executive Vice President and Director, and President and Representative Director, he currently serves as Chairperson and Representative Director of the Company. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	20,200 shares
2	<p>Yorifusa Wakabayashi</p> <p>August 13, 1961 (Age 60)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 5 years</p> <p><Re-appointment></p>	<p>April 1984 Joined the Company</p> <p>January 2012 Executive Officer, General Manager of Newsprint Sales Division, the Company</p> <p>April 2016 Executive Officer, General Manager of Paper Sales Division, the Company</p> <p>June 2017 Director, General Manager of Home & Personal Care Domestic Business Group, the Company</p> <p>July 2018 Director and Managing Executive Officer, General Manager of Home & Personal Care Domestic Business Group, the Company</p> <p>April 2019 Director and Managing Executive Officer, General Manager of Domestic Business Group, Home & Personal Care Unit, the Company</p> <p>April 2021 President and Representative Director, Chief Executive Officer, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Yorifusa Wakabayashi has engaged in the paper business, the finance division, household paper products business, etc. After serving as Director, and Director and Managing Executive Officer, he currently serves as President and Representative Director, Chief Executive Officer. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	9,200 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
3	<p>Toshihiro Adachi</p> <p>September 19, 1955 (Age 66)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 16 years</p> <p><Re-appointment></p>	<p>April 1979 Joined the Company</p> <p>June 2004 Executive Vice President and Representative Director of Suehiro Printing Co., Ltd. (current Daio Miura Corporation)</p> <p>June 2006 Director of the Company</p> <p>January 2007 Director and Managing Executive Officer of the Company</p> <p>June 2012 Director and Senior Managing Executive Officer of the Company</p> <p>April 2016 Representative Director and Senior Managing Executive Officer of the Company</p> <p>April 2019 Executive Vice President and Representative Director of the Company</p> <p>April 2021 Executive Vice President and Representative Director, Executive Vice President of the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Toshihiro Adachi has mainly engaged in the household paper products business. After holding the positions of Director, Director and Managing Executive Officer, Director and Senior Managing Executive Officer, Representative Director and Senior Managing Executive Officer, and Executive Vice President and Representative Director, he currently serves as Executive Vice President and Representative Director, Executive Vice President. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	17,900 shares
4	<p>Kunihiro Okazaki</p> <p>December 21, 1954 (Age 67)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 10 years</p> <p><Re-appointment></p>	<p>April 1977 Joined the Company</p> <p>June 2000 Director of the Company</p> <p>June 2008 Director and Managing Executive Officer of the Company</p> <p>June 2011 Representative Director and Senior Managing Executive Officer of Daiken Paper Co., Ltd. (current Daio Pulp & Paper Co., Ltd.)</p> <p>March 2012 Executive Officer and Deputy General Manager of Home & Personal Care Business Group, the Company</p> <p>June 2012 Director and Managing Executive Officer of the Company</p> <p>June 2015 Director and Senior Managing Executive Officer of the Company</p> <p>April 2016 Representative Director and Senior Managing Executive Officer of the Company</p> <p>April 2019 Executive Vice President and Representative Director of the Company</p> <p>April 2021 Executive Vice President and Representative Director, Executive Vice President of the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Director] Mr. Kunihiro Okazaki has engaged in the paper and paperboard business and household paper products business, etc. After holding the positions of Director, Director and Managing Executive Officer, Director and Senior Managing Executive Officer, Representative Director and Senior Managing Executive Officer, and Executive Vice President and Representative Director, he currently serves as Executive Vice President and Representative Director, Executive Vice President. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	14,400 shares

Candidate No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
5	<p>Hiroshi Yamasaki</p> <p>March 10, 1962 (Age 60)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 9 years</p> <p><Re-appointment></p>	<p>April 1984 Joined the Company</p> <p>June 2012 Executive Officer, Acting General Manager of Mishima Mill, Production Division, the Company</p> <p>June 2013 Director, General Manager of Resource and Material Division, the Company</p> <p>July 2016 Director, General Manager of Resource and Material Procurement Division, the Company</p> <p>May 2017 Director, Deputy General Manager of Production Division and General Manager of Mishima Mill, the Company</p> <p>April 2019 Director, Deputy General Manager of Production Division, Production Unit and General Manager of Mishima Mill, the Company</p> <p>April 2021 Director, Managing Executive Officer Responsible for Production Unit; General Manager of Production Division, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Hiroshi Yamasaki has engaged mainly in the Production Division. He currently serves as Director, Managing Executive Officer Responsible for Production Unit; General Manager of Production Division. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	5,900 shares
6	<p>Yukihiro Tanaka</p> <p>May 15, 1957 (Age 65)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 5 years</p> <p><Re-appointment></p>	<p>April 1980 Joined the Company</p> <p>February 2006 Director, General Manager of Personnel Department and in charge of General Affairs Department, Tokyo Headquarters, the Company</p> <p>April 2010 Director, General Manager of Publication Paper Sales Division, the Company</p> <p>April 2013 General Manager of Kyushu Branch Office, the Company</p> <p>June 2015 Executive Officer, General Manager of General Affairs Division, the Company</p> <p>May 2017 Executive Officer, General Manager of Corporate Planning Division, the Company</p> <p>June 2017 Director, General Manager of Corporate Planning Division and in charge of Safety & Environment Control Department, the Company</p> <p>April 2019 Director, General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>April 2021 Director, Managing Executive Officer; General Manager of Corporate Planning Division, Corporate Unit, the Company</p> <p>July 2021 Director, Managing Executive Officer; General Manager of General Affairs and Personnel Division, Corporate Unit, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Yukihiro Tanaka has engaged in the paper business, the administration division, etc., and currently serves as Director, Managing Executive Officer and General Manager of General Affairs and Personnel Division, Corporate Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	6,700 shares

Candidate No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
7	<p>Atsushi Ishida</p> <p>March 6, 1967 (Age 55)</p> <p>Attendance record at the Board of Directors meeting: 100% (11/11)</p> <p>Period of service as Director: 1 year</p> <p><Re-appointment></p>	<p>April 1991 Joined the Company</p> <p>July 2018 Executive Officer, General Manager of Containerboard and Corrugated Container Business Group, the Company</p> <p>June 2019 Senior Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper & Paperboard Unit, the Company</p> <p>April 2021 Managing Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper & Paperboard Unit, the Company</p> <p>June 2021 Director, Managing Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper & Paperboard Unit, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Atsushi Ishida has mainly engaged in the paper and paperboard business, and currently serves as Director, Managing Executive Officer, General Manager of Industrial Paper and Containerboard Business Group, Paper & Paperboard Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	4,100 shares
8	<p>Hiroyuki Shidara</p> <p>January 18, 1969 (Age 53)</p> <p>Attendance record at the Board of Directors meeting: 100% (11/11)</p> <p>Period of service as Director: 1 year</p> <p><Re-appointment></p>	<p>April 1992 Joined the Company</p> <p>June 2017 Executive Officer, General Manager of Baby & Feminine Care Products Sales Division, Home & Personal Care Domestic Business Group, the Company</p> <p>April 2018 President and Representative Director, Elleair International (Thailand) Co., Ltd.</p> <p>July 2020 Executive Officer, General Manager of Human & Family Care Sales Division, Domestic Business Group, Home & Personal Care Unit, the Company</p> <p>April 2021 Managing Executive Officer, General Manager of Domestic Business Group, Home & Personal Care Unit, the Company</p> <p>June 2021 Director, Managing Executive Officer, General Manager of Domestic Business Group, Home & Personal Care Unit, the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Hiroyuki Shidara has mainly engaged in the paper and paperboard business, household paper products business, etc., and currently serves as Director, Managing Executive Officer, General Manager of Domestic Business Group, Home & Personal Care Unit. The Company nominates him again as a candidate for Director, because it expects him to contribute to the sustainable growth of the Group, considering that he has a wealth of business experience and achievements in the Company and its Group companies.</p>	3,300 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
9	<p>Yoichi Takei</p> <p>June 10, 1961 (Age 61)</p> <p>Attendance record at the Board of Directors meeting: 100% (14/14)</p> <p>Period of service as Director: 2 years</p> <p><Re-appointment> <Outside> <Independent></p>	<p>April 1993 Registered as an attorney at law (Dai-Ichi Tokyo Bar Association) Joined Iwata Godo</p> <p>April 2000 Partner of Meitetsu Law Offices (current position)</p> <p>June 2003 Outside Audit & Supervisory Board Member of NIPPON THOMPSON CO., LTD.</p> <p>June 2006 Outside Audit & Supervisory Board Member of YAMAKIN (JAPAN) CO., LTD. (current position)</p> <p>June 2013 Outside Director of NIPPON THOMPSON CO., LTD. (current position)</p> <p>June 2020 Outside Director of the Company (current position)</p> <p>January 2022 Outside Audit & Supervisory Board Member of Nippon Export and Investment Insurance (NEXI) (current position)</p> <p>[Significant concurrent positions] Partner of Meitetsu Law Offices Outside Audit & Supervisory Board Member of YAMAKIN (JAPAN) CO., LTD. Outside Director of NIPPON THOMPSON CO., LTD. Outside Audit & Supervisory Board Member of Nippon Export and Investment Insurance (NEXI)</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Mr. Yoichi Takei again as a candidate for Outside Director because it has judged that he will execute his duties appropriately as Outside Director from an independent standpoint by leveraging his expertise as an attorney at law, and high perspective and extensive experience gained through his career as an officer of other companies. The Company expects him to provide advice to management and appropriately supervise execution of operations based on his expertise. Although he has not been involved in the management of a company other than as an outside officer, for the reasons stated above, the Company has judged that he will execute his duties appropriately as Outside Director.</p>	0 shares
10	<p>Yoshinobu Hiraishi</p> <p>July 5, 1956 (Age 65)</p> <p>Attendance record at the Board of Directors meeting: 100% (11/11)</p> <p>Period of service as Director: 1 year</p> <p><Re-appointment> <Outside> <Independent></p>	<p>April 1980 Joined the Ministry of Foreign Affairs</p> <p>August 2002 Minister, Embassy of Japan in Thailand</p> <p>July 2006 Minister, Delegation of Japan to the Conference on Disarmament</p> <p>August 2009 Counsellor, Deputy General Manager, International Division, House of Councillors, The National Diet of Japan</p> <p>April 2012 Standing Inspector of Federation of National Public Personnel Mutual Aid Associations</p> <p>May 2014 Ambassador Extraordinary and Plenipotentiary, Embassy of Japan in Zimbabwe</p> <p>April 2017 Ambassador Extraordinary and Plenipotentiary, Embassy of Japan in Chile</p> <p>October 2020 Retired from the Ministry of Foreign Affairs</p> <p>April 2021 Advisor, Asociacion Nippo Chilena (current position)</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions] Advisor, Asociacion Nippo Chilena</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Mr. Yoshinobu Hiraishi again as a candidate for Outside Director because it has judged that he will execute his duties appropriately as Outside Director from an independent standpoint by leveraging his wealth of experience, advanced expertise, and extensive insight gained through his career as a diplomat and an ambassador. The Company expects him to provide advice and suggestions on enhancement of corporate value and global development based on his wealth of overseas experience and knowledge. Although he has not been involved in the management of a company other than as an outside officer, for the reasons stated above, the Company has judged that he will execute his duties appropriately as Outside Director.</p>	0 shares

Candi- date No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
11	<p>Haruko Ozeki</p> <p>March 5, 1963 (Age 59)</p> <p>Attendance record at the Board of Directors meeting: 100% (11/11)</p> <p>Period of service as Director: 1 year</p> <p><Re-appointment> <Outside> <Independent></p>	<p>April 1985 Joined Nippon Kogaku K.K. (current Nikon Corporation)</p> <p>August 1997 Legal Counsel, Coca-Cola (Japan) Co, Ltd</p> <p>August 2003 Legal Director, Amazon Japan K.K. (current Amazon Japan G.K.)</p> <p>January 2008 Executive Officer, Senior Legal Director at Bristol-Myers K.K. (current Bristol-Myers Squibb Company)</p> <p>December 2011 Executive Operation Officer, General Counsel, Siemens Japan K.K. (current Siemens K.K., Siemens Healthcare K.K.)</p> <p>September 2013 Senior Executive Officer, Chief Legal Officer, Coca-Cola East Japan Co., Ltd. (current Coca-Cola Bottlers Japan Inc.)</p> <p>March 2015 Director, Senior Executive Officer, Chief Legal Officer, Coca-Cola East Japan Co., Ltd. (current Coca-Cola Bottlers Japan Inc.)</p> <p>April 2017 Senior Executive Officer, Chief Legal Officer, Coca-Cola East Japan Co., Ltd. (current Coca-Cola Bottlers Japan Inc.); Executive Officer, Head of Legal, Coca-Cola Bottlers Japan Inc. (current Coca-Cola Bottlers Japan Holdings Inc.)</p> <p>February 2019 Executive Officer, Chief Legal Officer, Coca-Cola East Japan Co., Ltd. (current Coca-Cola Bottlers Japan Inc.)</p> <p>April 2020 Retired from Coca-Cola East Japan Co., Ltd. (current Coca-Cola Bottlers Japan Inc.)</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions] —</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company nominates Ms. Haruko Ozeki again as a candidate for Outside Director because it has judged that she will execute her duties appropriately as Outside Director from an independent standpoint by leveraging her wealth of experience, advanced expertise, and extensive insight gained through her career as the head of a legal division and as an officer at other companies. The Company expects her to provide advice and suggestions on strengthening of corporate governance and enhancement of corporate value based on her wealth of experience and expertise at global companies.</p>	0 shares

Candidate No.	Name, Date of birth, etc.	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
12	Naosuke Oda June 3, 1953 (Age 69) Attendance record at the Board of Directors meeting: — Period of service as Director: — <New appointment> <Outside> <Independent>	<p>April 1977 Joined NKK Corporation (current JFE Steel Corporation)</p> <p>April 2000 Management Staff, Automobile Steel Sales Department, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>February 2002 Manager, Steel Integration Promotion Team, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>May 2002 General Manager, Corporate Planning Department, Steel Business Division, NKK Corporation (current JFE Steel Corporation)</p> <p>April 2003 General Manager, Corporate Planning Division, JFE Holdings, Inc.</p> <p>April 2004 General Manager, Automobile Steel Sales Department, JFE Steel Corporation</p> <p>April 2007 Vice President (Sales Division), JFE Steel Corporation</p> <p>April 2010 Senior Vice President (Sales Division), JFE Steel Corporation</p> <p>April 2012 Representative Director and Executive Vice President (Supervising Sales Division), JFE Steel Corporation</p> <p>April 2016 Representative Director and President, JFE Shoji Corporation</p> <p>June 2017 Director, JFE Holdings, Inc.</p> <p>April 2021 Retired from Representative Director and President, JFE Shoji Corporation</p> <p>June 2021 Senior Adviser, JFE Shoji Corporation (current position)</p> <p>Retired from Director, JFE Holdings, Inc.</p> <p>[Significant concurrent positions] Senior Adviser, JFE Shoji Corporation</p> <p>[Reason for nomination as a candidate for Outside Director and expected role] The Company newly nominates Mr. Naosuke Oda as a candidate for Outside Director because it has judged that he will execute his duties appropriately as Outside Director from an independent standpoint by leveraging his wealth of experience and extensive insight gained through his career as Representative Director and President and in other executive positions of other companies. The Company expects him to supervise management from an independent standpoint based on his wealth of experience and knowledge of management.</p>	0 shares

(Notes)

- There are no conflicts of interests between each candidate and the Company.
- Mr. Yoichi Takei, Mr. Yoshinobu Hiraishi, Ms. Haruko Ozeki and Mr. Naosuke Oda are candidates for Outside Director.
- Article 26, Paragraph 2 of the Articles of Incorporation of the Company prescribes that the Company may enter into a liability limitation agreement with each Outside Director that limits their liability for damages to the Company within a certain extent, pursuant to Article 427, Paragraph 1 of the Companies Act.
The limit of liability for damages set out under such agreement is ¥10 million or the minimum liability amount of liability for damages set out under Article 425, Paragraph 1 of the Companies Act, whichever is higher.
The Company has entered into a liability limitation agreement with each of Messrs. Yoichi Takei and Yoshinobu Hiraishi and Ms. Haruko Ozeki.
Such agreement with each of Messrs. Yoichi Takei and Yoshinobu Hiraishi and Ms. Haruko Ozeki shall be renewed once their appointments are approved at this year's Annual General Meeting of Shareholders.
The Company will enter into the same liability limitation agreement with Mr. Naosuke Oda once his appointment is approved.
- The Company has entered into a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company.
The overview of the said insurance contract is as described on page 45 of the Business Report (available only in Japanese).
The Company plans to renew the contract, with similar terms, when it comes up for renewal. Each of the candidates will become the insured under the said insurance contract, once they are reappointed or appointed.
- The Company has registered Messrs. Yoichi Takei and Yoshinobu Hiraishi and Ms. Haruko Ozeki as independent directors with the Tokyo Stock Exchange pursuant to the rules of the Exchange. The Company shall keep them registered as independent directors upon the approval of their appointments at this year's Annual General Meeting of Shareholders.
Mr. Naosuke Oda satisfies the requirements for independent director pursuant to the rules of the Tokyo Stock Exchange. The Company will register him as independent director with the Exchange upon the approval of his appointment.

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

Based on Directors' specialized knowledge and experience, areas regarding which the Company has particularly high expectations of its Directors are indicated below.

Name	Position	Independence	Areas regarding which the Company has particularly high expectations (two to four areas for each)							
			1) Corporate management	2) Corporate planning / M&A	3) Sales & marketing	4) Manufacturing / R&D	5) Finance / accounting	6) Human resources / HR development	7) Legal affairs / risk management	8) Overseas business / international experience
Masayoshi Sako	Chairperson and Representative Director		•	•		•				•
Yorifusa Wakabayashi	President and Representative Director, Chief Executive Officer		•	•	•			•		
Toshihiro Adachi	Executive Vice President and Representative Director, Executive Vice President		•					•	•	•
Kunihiro Okazaki	Executive Vice President and Representative Director, Executive Vice President		•		•				•	
Hiroshi Yamasaki	Director and Managing Executive Officer					•			•	•
Yukihiro Tanaka	Director and Managing Executive Officer			•					•	•
Atsushi Ishida	Director and Managing Executive Officer		•	•	•					
Hiroyuki Shidara	Director and Managing Executive Officer		•		•					•
Yoichi Takei	Outside Director	•		•					•	
Yoshinobu Hiraishi	Outside Director	•							•	•
Haruko Ozeki	Outside Director	•	•						•	•
Naosuke Oda	Outside Director	•	•	•	•					

<Reference>

Election Policy for Director of the Company

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

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

Election Policy for Independent Outside Director of the Company

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

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

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

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

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