

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities identification code: 5930
May 29, 2023

To our shareholders:

Toshihiko Shiozaki
Chairman of the Board of Directors
Bunka Shutter Co., Ltd.
1-17-3, Nishikata, Bunkyo-ku, Tokyo

NOTICE OF THE 77TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby notified of the 77th Ordinary General Meeting of Shareholders of Bunka Shutter Co., Ltd. (the “Company”), which will be held as described below.

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. (matters to be provided in electronic format) in electronic format, and posts this information on the Company’s website. Please access the website below by using the internet address shown below to review the information.

The Company’s website:

<https://www.bunka-s.co.jp/ir/individual/meeting/> (in Japanese)

In addition to the Company’s website, the matters to be provided in electronic format are also posted on the website of the Tokyo Stock Exchange. Please review this information from the internet address shown below.

Tokyo Stock Exchange (TSE) website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Bunka Shutter” in “Issue name (company name)” or the Company’s securities code “5930” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or the Internet, etc. Should you wish to do so, please review the Reference Documents for the General Meeting of Shareholders and exercise your voting right no later than 5:30 p.m., Monday, June 19, 2023 (Japan Standard Time).

1. Date and Time: Tuesday, June 20, 2023 at 10:00 a.m. (Japan Standard Time)

2. Venue: 2F Hall, Head Office of the Company
1-17-3, Nishikata, Bunkyo-ku, Tokyo

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 77th Term (from April 1, 2022 to March 31, 2023), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 77th Term (from April 1, 2022 to March 31, 2023)

Items to be resolved:**<Company proposals> (Proposals 1 to 3)**

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)
- Proposal 3:** Election of five (5) Directors who concurrently serve as Audit and Supervisory Committee Members

< Shareholder proposals (Proposals 4 to 13) >

- Proposal 4:** Acquisition of treasury shares
- Proposal 5:** Amendments to the Articles of Incorporation regarding the number of Outside Directors
- Proposal 6:** Appropriation of surplus
- Proposal 7:** Appropriation of surplus (Daiwa House shares distribution-in-kind)
- Proposal 8:** Amendments to the Articles of Incorporation concerning the convener and chairmanship of the General Meeting of Shareholders
- Proposal 9:** Amendments to the Articles of Incorporation concerning the chairmanship of the Board of Directors
- Proposal 10:** Amendments to the Articles of Incorporation concerning the discontinuation of the position of Chairman of the Board of Directors
- Proposal 11:** Amendments to the Articles of Incorporation concerning the disclosure of individual remuneration for Directors with representative authority
- Proposal 12:** Amendments to the Articles of Incorporation concerning the disclosure of the method of calculating performance-linked remuneration for Directors with representative authority
- Proposal 13:** Amendments to the Articles of Incorporation concerning the disclosure of information related to the M&A in Australia

4. Guide to Exercising Voting Rights:

- (1) Exercising voting rights in writing

Please indicate your approval or disapproval of the proposals on the voting form and return it by postal mail to reach us no later than 5:30 p.m., Monday, June 19, 2023 (Japan Standard Time).

- (2) Exercising voting rights via the Internet, etc.

If you are exercising your voting rights via the Internet, etc., please exercise your voting rights by 5:30 p.m., Monday, June 19, 2023 (Japan Standard Time).

- (3) If you exercise your voting rights both in writing and via the Internet, etc., the votes made via the Internet, etc., shall prevail. If you exercise your voting rights multiple times via the Internet, etc., the vote submitted last shall prevail.

If attending the meeting in person, please submit the voting form at the reception desk.

Note that, when convening this General Meeting of Shareholders, paper-based documents (the “documents to be delivered”) stating matters to be provided in electronic format will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents. Provided, however, that the system to ensure the properness of operations, overview of operational status of the system to ensure the properness of operations, basic policy on company control, consolidated statement of changes in shareholders’ equity, notes to consolidated financial statements, non-consolidated statement of changes in shareholders’ equity, and notes to non-consolidated financial statements are not provided in the documents to be delivered under laws and Article 21 of the Company’s Articles of Incorporation. The documents to be delivered attached to this notice therefore consist of part of the documents, audited by the Audit and Supervisory Committee Members and financial auditor in the preparation of the audit reports.

In addition, if revisions to the matters to be provided in electronic format arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company’s aforementioned website and the TSE website.

Measures to prevent infection with COVID-19

- Please be aware that the Company may impose restrictions or make requests related to the prevention of infection at the venue, in accordance with government guidelines, etc.
- If there are any changes to the operation of the General Meeting of Shareholders, etc., in the future, information shall be provided on the Company’s website.

Guidance for the Exercise of Voting Rights

There are three methods to exercise your voting rights as indicated below.

Exercise of voting rights by attending the General Meeting of Shareholders

Please submit the voting form at the reception desk.

Date and time: Tuesday, June 20, 2023, 10:00 a.m. (Japan Standard Time)

Exercise of voting rights in writing (by postal mail)

Complete the voting form by indicating your approval or disapproval of the proposals and return it without affixing a stamp.

Exercise due date: To be received no later than 5:30 p.m. on Monday, June 19, 2023 (Japan Standard Time)

Exercise of voting rights via the Internet

Indicate your approval or disapproval of the proposals in accordance with the instructions on page 5.

Exercise due date: No later than 5:30 p.m. on Monday, June 19, 2023 (Japan Standard Time)

- * In the case that voting rights are exercised in duplicate, via both in writing (via postal mail) and via the Internet, etc., the vote via the Internet, etc. shall be deemed valid.
- * If you exercise your voting rights multiple times via the Internet, the last vote cast shall be considered valid.

Exercising voting rights in writing

Exercise due date: To be received no later than 5:30 p.m. on Monday, June 19, 2023 (Japan Standard Time)

Please indicate your approval or disapproval on the voting form and return it to us.

If you agree with the opinion of the Board of Directors of the Company, please mark ○ in the disapproval box in the fields for approval or disapproval of shareholder proposals.

- * If there is no indication of approval or disapproval for each proposal, it will be treated as an indication of approval for the Company proposals and disapproval for the shareholder proposals.

■How to fill out the voting form

Proposal 1 through 3 are proposals presented by the Board of Directors of the Company.

Proposal 4 through 13 are proposals made by certain shareholders.

The Board of Directors is opposed to all of these proposals. Please refer to page 23 for further details

- If “for”: please circle “For”
- If “against”: please circle “Against”

Guidance for the Exercise of Voting Rights via the Internet, etc.

Method 1: Scanning the QR Code “Smart Vote”

You can simply log in to the website for exercising voting rights without entering your voting right exercise code and password.

- 1 Please scan the QR Code located on the bottom right of the voting form.
 - * “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

Please note that exercising voting rights by using “Smart Vote” method is available only once.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting right exercise code and password as listed on the voting form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR Code again.

Method 2: Entering the Voting Right Exercise Code and Password

Website for exercising your voting rights: <https://www.web54.net>

- 1 Please access the website for exercising your voting rights.
- 2 Enter your voting right exercise code as listed on the voting form.
- 3 Enter the password printed on the voting form.
- 4 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

In case you need instructions for how to operate your personal computer or smartphone in order to exercise your voting rights via the Internet, please contact:
Sumitomo Mitsui Trust Bank, Limited
Dedicated phone line for Stock Transfer Agency Web Support
Telephone: 0120-652-031 (toll-free within Japan only)
(Business hours: 9:00 a.m.–9:00 p.m.)

* Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise the voting rights.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Matters

<Company proposals> (Proposals 1 to 3)

Proposal 1: Appropriation of surplus

The Company's basic policy on the appropriation of surplus is to ensure stable and continuous dividends of surplus to shareholders by strengthening its financial structure and securing stable profits. In accordance with this policy, and taking into account the Company's operating results for the current fiscal year, the Company proposes the following dividends:

1. Matters related to appropriation of surplus

- (1) Item of surplus to be decreased and amount of decrease thereof
Retained earnings brought forward: 7,000,000,000 yen
- (2) Item of surplus to be increased and amount of increase thereof
General reserve: 7,000,000,000 yen

2. Matters related to year-end dividends

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property to shareholders and total amount thereof
21 yen per common share of the Company
Total amount of dividends: 1,293,248,250 yen
(The Company has already paid 21 yen per share as an interim dividend on December 1, 2022. The total dividend for the fiscal year will therefore amount to 42 yen per share.)
- (3) Effective date of distribution of dividends of surplus
June 21, 2023

Proposal 2: Election of seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes that seven (7) Directors (excluding those who serve as Audit and Supervisory Committee Members) be elected.

This proposal has been deliberated, etc. of the Nomination/Remuneration Committee, the majority of whose members are independent Outside Directors, in response to the inquiry of the Board of Directors. The Audit and Supervisory Committee of the Company has determined that all candidates are qualified.

The names of the Director candidates (excluding those who concurrently serve as Audit and Supervisory Committee Members) as well as the reasons for their nomination are shown below.

No.	Name	Current position and responsibilities in the Company	
1	Toshihiko Shiozaki	Representative Director and Chairman of the Board of Directors	Reelection
2	Hiroyuki Ogura	Representative Director and President, and Executive President	Reelection
3	Yoshinori Shimamura	Director-Senior Managing Operating Officer and responsible for new business, product development, and overseas	Reelection
4	Yoshinori Fujita	Director-Managing Operating Officer and responsible for sales, design, and construction	Reelection
5	Mitsuru Mita	Director-Managing Operating Officer and General Manager of East Japan Business Division	Reelection
6	Haruhiko Ichikawa	Director-Managing Operating Officer and responsible for management operations	Reelection
7	Hiroki Yamasaki	Director-Senior Operating Officer and General Manager of Sales Development Business Division	Reelection

Note: The Company has entered into a liability insurance contract for officers, etc. with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, and such insurance contract will cover the damage to be incurred by the insured, including the Company's Directors, in cases where liability for damages is incurred by the insured. In addition, such insurance contract is expected to be renewed with the same contents at the next renewal.

No.	Name (Date of birth)	Brief history, position and responsibilities	
1	Toshihiko Shiozaki December 13, 1947 Reelection	Mar. 1970	Joined the Company
		Apr. 1984	Manager of Fukuoka Factory of the Company
		Apr. 1987	Manager of Fukuoka Office of the Company
		Apr. 1990	Manager of Chiba Office of the Company
		Apr. 1993	Manager of Systems Department of the Company
		Oct. 1998	Manager of Human Resources Department of the Company
		Apr. 2006	Operating Officer and Manager of Human Resources Department of the Company
		Apr. 2007	Operating Officer and responsible for management operations of the Company
		June 2007	Director-Senior Operating Officer and responsible for management operations of the Company
		Apr. 2009	Director-Senior Operating Officer and General Manager of Planning Administration Division of the Company
		Apr. 2011	Director-Managing Operating Officer and responsible for management operations of the Company
		June 2012	Director-Senior Managing Operating Officer and responsible for management operations of the Company
		Apr. 2016	Representative Director and President, and Executive President of the Company
Apr. 2021	Chairman of the Board of Directors of the Company (present position)		
<p>■Significant concurrent positions outside the Company Chairman of Japan Rolling Shutters & Doors Association</p>			
<p>■Special interest in the Company None</p>			
<p>■Number of the Company's shares owned 94,800</p>			
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1970, Toshihiko Shiozaki has been responsible for production, sales, and the management of the head office, which has given him wide-ranging experience in a vast area of operations in the Group. Since assuming office of Director of the Company in 2007, he has been supervising primarily the management department and business execution in Group companies, and contributing to the expansion of the Group's business operations. Subsequently, in 2016, he assumed office of Representative Director and President, where he strongly led the implementation of the five-year Medium-Term Management Plan. Since assuming office of Representative Director and Chairman of the Board of Directors in 2021, he has discharged his directorial duties by chairing the Board of Directors and engaging in business management of the entire Group. In addition to the above, at present, he also serves as Chairman of Japan Rolling Shutters & Doors Association, and works to promote and enhance social business activities related to safety and security, such as the spread and promotion of fire-protection facilities and projects. On this basis, the Company believes that Toshihiko Shiozaki remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
2	Hiroyuki Ogura March 24, 1955 Reelection	July 1980	Joined the Company
		Apr. 2002	Manager of Minami Kyushu Office of the Company
		Apr. 2005	Manager of Kyushu Special Sales Office of the Company
		Apr. 2008	Manager of Chugoku-Shikoku Branch of the Company
		Apr. 2010	Operating Officer and Manager of Kyushu Branch of the Company
		Apr. 2011	Operating Officer and General Manager of West Japan Business Division of the Company
		June 2011	Director-Senior Operating Officer and General Manager of West Japan Business Division of the Company
		Apr. 2016	Director-Senior Operating Officer and General Manager of Building Materials Business Division of the Company
		Apr. 2018	Director-Managing Operating Officer and responsible for sales of the Company
		Apr. 2021	Representative Director and President, and Executive President of the Company (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 31,000			
■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1980, Hiroyuki Ogura has gained wide-ranging business experience and specialized insight primarily in sales operations. Since assuming office of Director of the Company in 2011, he has served as a supervisor of sales in West Japan and operations for major general contractors, as well as chief supervisor of the sales operations, and since assuming office of Representative Director and President in 2021, he has discharged his directorial duties by strongly leading efforts to implement the new three-year Medium-Term Management Plan and contributing to the expansion of the Group's business operations. On this basis, the Company believes that Hiroyuki Ogura remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
3	Yoshinori Shimamura March 1, 1955 Reelection	Apr. 1978	Joined the Company
		Apr. 2003	Head of Technology Section in House Construction Branch of the Company
		Apr. 2008	Manager of Product Development Department of the Company
		Apr. 2010	Operating Officer and Manager of Product Development Department of the Company
		Apr. 2011	Operating Officer, responsible for product development and Manager of Product Development Department of the Company
		June 2011	Director-Senior Operating Officer, responsible for product development and Manager of Product Development Department of the Company
		Apr. 2013	Director-Senior Operating Officer, responsible for new business and new products and Manager of Product Development Department of the Company
		Apr. 2014	Director-Senior Operating Officer and responsible for new business and new products of the Company
		Apr. 2018	Director-Managing Operating Officer and responsible for production, design, construction, new business, and product development of the Company
		Apr. 2020	Director-Managing Operating Officer and responsible for design, construction, new business, and product development of the Company
		Apr. 2021	Director-Senior Managing Operating Officer and responsible for design, construction, new business, and product development of the Company
		Apr. 2023	Director-Senior Managing Operating Officer and responsible for new business, product development, and overseas of the Company (present position)
<p>■Significant concurrent positions outside the Company None</p>			
<p>■Special interest in the Company None</p>			
<p>■Number of the Company's shares owned 48,400</p>			
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1978, Yoshinori Shimamura has gained wide-ranging business experience and specialized insight primarily in technical operations. Since assuming office of Director of the Company in 2011, he has served as an officer responsible for technology, new business, new product development, as well as production, design and construction, and since 2023, as an officer responsible for new business, product development, as well as overseas, and he has discharged his directorial duties by contributing to the expansion of the Group's business operations. On this basis, the Company believes that Yoshinori Shimamura remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
4	Yoshinori Fujita October 5, 1955 Reelection	Apr. 1983	Joined the Company
		Apr. 2003	Manager of Fukuoka Office of the Company
		Apr. 2007	Manager of Hiroshima Office of the Company
		Apr. 2010	Manager of Door/Partition Business Dept. III of the Company
		Apr. 2011	Manager of Kyushu Office of the Company
		Apr. 2014	Operating Officer and Manager of Kyushu Office of the Company
		Apr. 2016	Managing Operating Officer and General Manager of West Japan Business Division of the Company
		June 2017	Director-Senior Operating Officer and General Manager of West Japan Business Division of the Company
		Apr. 2019	Director-Senior Operating Officer and General Manager of East Japan Business Division of the Company
		Apr. 2021	Director-Managing Operating Officer and responsible for sales of the Company
		Apr. 2023	Director-Managing Operating Officer and responsible for sales, design, and construction of the Company (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 9,537			
■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1983, Yoshinori Fujita has gained wide-ranging business experience and specialized insight primarily in sales operations in West Japan, door and partition sales, and other operations. Since assuming office of Director of the Company in 2017, he has served as a supervisor of sales in West and East Japan, and since 2021, as a chief supervisor of the Company's sales operations as well as since 2023 additionally in the role of supervisor of design and construction, he has discharged his directorial duties by contributing to the expansion of the Group's business operations. On this basis, the Company believes that Yoshinori Fujita remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
5	Mitsuru Mita December 4, 1958 Reelection	Apr. 1982	Joined the Company
		Apr. 2001	Manager of Tama Office of the Company
		Apr. 2005	Manager of Kanagawa Office of the Company
		Apr. 2009	Manager of Fukuoka Office of the Company
		Apr. 2011	Manager of Chubu Office of the Company
		Apr. 2013	Operating Officer and General Manager of Special Demand Division of the Company
		Apr. 2014	Representative Director and President of Bunka Shutter Services Co., Ltd.
		Apr. 2018	Managing Operating Officer and General Manager of Building Materials Business Division of the Company
		June 2018	Director-Senior Operating Officer and General Manager of Building Materials Business Division of the Company
		Apr. 2021	Director-Managing Operating Officer and General Manager of East Japan Business Division of the Company (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 15,400			
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members):</p> <p>Since joining the Company in 1982, Mitsuru Mita has gained wide-ranging business experience and specialized insight primarily in sales operations. In recent years, he has contributed to the expansion of the Group's business operations; since 2013, he has been responsible for new business, and since 2014, he has served as President of a subsidiary of the Group that provides after-sales support of the Company's support. Since his appointment as Director of the Company in 2018, he has fulfilled the duties of Director, for example, he has been largely in charge of major general contractors, and since 2021, been serving as a supervisor of sales in East Japan.</p> <p>On this basis, the Company believes that Mitsuru Mita remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
	Haruhiko Ichikawa January 27, 1960 Reelection	Apr. 1983	Joined the Company
		Apr. 2007	Manager of Human Resources Department of the Company
		Apr. 2012	Manager of Human Resources & General Affairs Department of the Company
		Apr. 2013	Operating Officer and Manager of Human Resources & General Affairs Department of the Company
		Apr. 2016	Managing Operating Officer and responsible for management operations of the Company
		June 2018	Director-Senior Operating Officer and responsible for management operations of the Company
		Apr. 2021	Director-Managing Operating Officer and responsible for management operations of the Company (present position)
6	■Significant concurrent positions outside the Company None		
	■Special interest in the Company None		
	■Number of the Company's shares owned 17,300		
	■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1983, Haruhiko Ichikawa has gained specialized insight primarily in head office management—specifically, HR and general affairs—as well as wide-ranging business experience in sales promotion. Since 2016, he has discharged his directorial duties by contributing to the expansion of the Group's business operations by supervising head office operations, including accounting, finance, and group management operations, and has continued to do so as chief supervisor of head office operations since his appointment as Director of the Company in 2018. On this basis, the Company believes that Haruhiko Ichikawa remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.		

No.	Name (Date of birth)	Brief history, position and responsibilities	
7	Hiroki Yamasaki December 8, 1961 Reelection	Apr. 1985	Joined the Company
		Apr. 2007	Manager of Shikoku Branch of the Company
		Apr. 2009	Manager of Kansai Special Sales Office of the Company
		Apr. 2011	Manager of Chugoku-Shikoku Branch of the Company
		Apr. 2015	Manager of Management Operations Department of West Japan Business Division of the Company
		Apr. 2016	Manager of Sales Planning Department of the Company
		Apr. 2017	Operating Officer and Manager of Sales Planning Department of the Company
		Apr. 2019	Managing Operating Officer and General Manager of West Japan Business Division of the Company
		June 2019	Director-Senior Operating Officer and General Manager of West Japan Business Division of the Company
		Apr. 2023	Director-Senior Operating Officer and General Manager of Sales Development Business Division of the Company (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 5,600			
■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1985, Hiroki Yamasaki has gained wide-ranging operational experience and specialized insight primarily in sales operations including sales in West Japan and sales operations for general contractors. Since his appointment as supervisor of the Sales Planning Department in 2016, he engaged in formulation of Company-wide sales strategies, etc., and since 2019 he has served as a supervisor of sales in West Japan following his appointment as Director of the Company in 2019, and since 2023 additionally as supervisor of the Sales Development Business Division, he has discharged his directorial duties by contributing to the expansion of the Group's business operations. On this basis, the Company believes that Hiroki Yamasaki remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.			

Proposal 3: Election of five (5) Directors who concurrently serve as Audit and Supervisory Committee Members

The terms of office of all five (5) Directors who concurrently serve as Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes that five (5) Directors who concurrently serve as Audit and Supervisory Committee Members be elected.

This proposal was submitted to the Board of Directors, after the deliberations, etc. of the Nomination/Remuneration Committee, the majority of whose members are independent Outside Directors, in response to the inquiry of the Board of Directors, and determined by the Board of Directors.

In addition, the approval of the Audit and Supervisory Committee has been obtained for this proposal.

The names of the Director candidates who concurrently serve as Audit and Supervisory Committee Members as well as the reasons for their nomination are shown below.

No.	Name	Current position in the Company	
1	Nariyuki Matsuyama	Director-Audit and Supervisory Committee Member (full-time)	Reelection
2	Shozo Fujita	Director-Audit and Supervisory Committee Member	Reelection Outside Independent officer
3	Kazufumi Abe	Director-Audit and Supervisory Committee Member	Reelection Outside Independent officer
4	Yoshihiko Hayasaka	Director-Audit and Supervisory Committee Member	Reelection Outside Independent officer
5	Kazue Shimamura	—	New election Outside Independent officer

- Notes:
1. Shozo Fujita, Kazufumi Abe and Yoshihiko Hayasaka are Outside Director candidates, and the Company has registered them with Tokyo Stock Exchange as independent officers. If their reelection is approved, the Company plans to continue the registration of each as an independent officer with the exchange.
 2. Kazue Shimamura is a candidate for a new Outside Director, and if her election is approved, the Company plans to register her as an independent officer with the Tokyo Stock Exchange.
 3. Shozo Fujita and Kazufumi Abe assumed office of Outside Director of the Company in June 2017, and they will have served in this role for six (6) years as of the conclusion of this General Meeting of Shareholders. Further, they have served as Outside Corporate Auditor of the Company from June 2016 to June 2017, serving in this role for one (1) year.
 4. Yoshihiko Hayasaka assumed office of Outside Director of the Company in June 2021, and he will have served in this role for two (2) years as of the conclusion of this General Meeting of Shareholders.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Shozo Fujita, Kazufumi Abe, and Yoshihiko Hayasaka to limit their liability for damages under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts provided for by items of Article 425, paragraph (1) of the same Act. If their reelection is approved, the Company plans to re-enter into a limited liability agreement of the same content with each of them.

6. If the election of Kazue Shimamura is approved, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The upper limit on liability for damages under the agreement will be the total of the amounts prescribed in the items of Article 425, paragraph (1) of the Companies Act.
7. The Company has entered into a liability insurance contract for officers, etc. with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, and such insurance contract will cover the damage to be incurred by the insured, including the Company's Directors, in cases where liability for damages is incurred by the insured. In addition, such insurance contract is expected to be renewed with the same contents at the next renewal.

No.	Name (Date of birth)	Brief history, position and responsibilities	
1	Nariyuki Matsuyama May 27, 1955 Reelection	Sept. 1987	Joined the Company
		Apr. 2006	Manager of Production Management Department of Oyama Plant of the Company
		Apr. 2009	Head of New Business Development Section of Management Planning Department of the Company
		Apr. 2013	Manager of CSR Management Department of the Company
		Apr. 2015	Operating Officer and Manager of CSR Management Department of the Company
		June 2021	Director-Audit and Supervisory Committee Member (full-time) of the Company (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 6,300			
■Reasons for nomination as a candidate for Director who concurrently serves as an Audit and Supervisory Committee Member: Since joining the Company in 1987, Nariyuki Matsuyama has been engaged in operations in the Company's product development and production departments, and has abundant knowledge and experience related to the development and production of the Company's products. In addition, he has considerable practical experience and knowledge as the Manager of the CSR Management Department, which has legal and internal audit functions under its control. Since assuming office of Director-Audit and Supervisory Committee Member (full-time) of the Company in 2021, he has served as a full-time Audit and Supervisory Committee Member, and he has not only played a central role in the formulation of audit plans, but has also appropriately audited and supervised the Board of Directors and the execution of business by the Directors by providing opinions at important meetings including those of the Board of Directors of the Company. On this basis, the Company believes that he will be effective in monitoring the management of the Company, and has therefore nominated him once again to serve concurrently as Director and Audit and Supervisory Committee Member.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
2	Shozo Fujita August 1, 1948 Reelection Outside Independent officer	Apr. 1976	Appointed Public Prosecutor
		Apr. 1986	First Secretary Permanent Mission of Japan to the International Organization in Geneva
		Apr. 1990	Public Prosecutor of the Tokyo District Public Prosecutor's Office
		Apr. 1997	Director of the Criminal Affairs Division of the Criminal Affairs Bureau, Ministry of Justice
		July 2001	Director General of Administration Department of Tokyo District Public Prosecutor's Office
		Sept. 2003	Chief Prosecutor of Saga District Public Prosecutor's Office
		Jan. 2008	Director of the Public Security Division of Supreme Public Prosecutor's Office
		June 2010	Superintending Prosecutor of Hiroshima High Public Prosecutor's Office
		Dec. 2010	Superintending Prosecutor of Nagoya High Public Prosecutor's Office
		Aug. 2011	Retired at mandatory age
		Sept. 2011	Registered as an attorney at law (Tokyo Bar Association) (present position)
		Apr. 2012	Director of The Resolution and Collection Corporation
		June 2012	Representative Director and President of The Resolution and Collection Corporation
		Oct. 2015	Resigned as Representative Director and President of The Resolution and Collection Corporation
		Nov. 2015	Joined Okuno & Partners
		June 2016	Outside Corporate Auditor of the Company
		June 2017	Outside Director-Audit and Supervisory Committee Member of the Company (present position)
Oct. 2018	Retired from Okuno & Partners		
Feb. 2019	Established Shozo Fujita Law Office (present position)		
<p>■Significant concurrent positions outside the Company</p>		<p>Outside Director, Member of Audit and Supervisory Committee (part-time) of Asset Management One Co., Ltd.</p>	
<p>Outside Director (part-time) of Eco's Co, Ltd.</p>		<p>Outside Audit & Supervisory Board Member (part-time) of SANKI ENGINEERING CO., LTD.</p>	
<p>■Special interest in the Company</p>		<p>None</p>	
<p>■Number of the Company's shares owned</p>		<p>6,500</p>	
<p>■Reasons for nomination as a candidate for Director who concurrently serves as an Audit and Supervisory Committee Member and outline of expected roles:</p>		<p>During his tenure as Corporate Auditor of the Company from 2016, and since his appointment as Director-Audit and Supervisory Committee Member of the Company in 2017, Shozo Fujita has duly fulfilled his duties in auditing and supervising the Board of Directors and the performance of directors, including stating his opinion during meetings of the Board of Directors of the Company and other important meetings.</p>	
<p>He has also gained abundant knowledge and wide-ranging insight in law having served in important posts in the legal profession. On this basis, the Company believes that Shozo Fujita can monitor the Company's business from an objective and independent standpoint, particularly with respect to legal compliance; therefore, the Company has nominated him once again to serve concurrently as Outside Director and Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
3	Kazufumi Abe April 3, 1951 Reelection Outside Independent officer	Apr. 1974	Joined Sumitomo Light Metal Industries, Ltd. (currently UACJ Corporation)
		June 2000	General Manager of Purchasing Department of Sumitomo Light Metal Industries, Ltd.
		Apr. 2006	Executive Officer, General Manager of Purchasing Department of Sumitomo Light Metal Industries, Ltd.
		Apr. 2010	Managing Executive Officer, Deputy General Manager of Corporate Administration Division of Sumitomo Light Metal Industries, Ltd.
		June 2013	Audit & Supervisory Board Member of Sumitomo Light Metal Industries, Ltd.
		Oct. 2013	Full-time Statutory Auditor of UACJ Corporation
		June 2015	Resigned as Full-time Statutory Auditor of UACJ Corporation
		June 2016	Outside Corporate Auditor of the Company
		June 2017	Outside Director-Audit and Supervisory Committee Member of the Company (present position)
		■Significant concurrent positions outside the Company	
■Special interest in the Company		None	
■Number of the Company's shares owned		7,400	
■Reasons for nomination as a candidate for Director who concurrently serves as an Audit and Supervisory Committee Member and outline of expected roles:		<p>During his tenure as Corporate Auditor of the Company from 2016, and since his appointment as Director-Audit and Supervisory Committee Member of the Company in 2017, Kazufumi Abe has duly fulfilled his duties in auditing and supervising the Board of Directors and the performance of directors, including stating his opinion during meetings of the Board of Directors of the Company and other important meetings. He has also gained abundant operational experience from his service in other companies and professional experience as a Corporate Auditor. On this basis, the Company believes that Kazufumi Abe can monitor the Company's business from an objective and independent standpoint; therefore, it has nominated him once again to serve concurrently as Outside Director and Audit and Supervisory Committee Member.</p>	

No.	Name (Date of birth)	Brief history, position and responsibilities	
4	Yoshihiko Hayasaka March 5, 1953 Reelection Outside Independent officer	Apr. 1975	Joined MAEDA CORPORATION
		Apr. 1999	General Manager of Building Dept., Higashi Kanto Branch of MAEDA CORPORATION
		Apr. 2005	General Manager of Higashi Kanto Branch of MAEDA CORPORATION
		Jan. 2007	Executive Officer, General Manager of Kanto Branch of MAEDA CORPORATION
		June 2008	Managing Officer, General Manager of Tokyo Branch of MAEDA CORPORATION
		June 2010	Director, Managing Officer, General Manager of Tokyo Branch of MAEDA CORPORATION
		Apr. 2011	Director, Managing Officer, General Manager of Tokyo Building Works Branch of MAEDA CORPORATION
		Apr. 2012	Director, Senior Managing Officer, General Manager of Building Division of MAEDA CORPORATION
		July 2017	Senior Managing Commissioner of MAEDA CORPORATION
		July 2017	FBS Miyama Inc. (currently FBS Co., Ltd.)
		July 2017	Director and Chairman of FBS Miyama Inc. (currently FBS Co., Ltd.)
		Apr. 2019	Director, Corporate Advisor of FBS Miyama Inc. (currently FBS Co., Ltd.)
		July 2019	Advisor of MAEDA CORPORATION
		June 2021	Outside Director-Audit and Supervisory Committee Member of the Company (present position)
		July 2021	Advisor of FBS Co., Ltd. (present position)
■Significant concurrent positions outside the Company None			
■Special interest in the Company None			
■Number of the Company's shares owned 0			
■Reasons for nomination as a candidate for Director who concurrently serves as an Audit and Supervisory Committee Member and outline of expected roles: Since assuming office of Director-Audit and Supervisory Committee Member of the Company in 2021, Yoshihiko Hayasaka has duly fulfilled his duties in auditing and supervising the Board of Directors and the performance of directors, including stating his opinion during meetings of the Board of Directors of the Company and other important meetings. In addition, he has wide-ranging insight from his involvement in the management of a major construction company, as well as abundant knowledge and practical experience in the construction industry. The Company believes that he will be able to monitor the management of the Company from an objective and neutral standpoint and has therefore nominated him once again to serve concurrently as Outside Director and Audit and Supervisory Committee Member.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
	Kazue Shimamura April 11, 1955 New election Outside Independent officer	Apr. 1989	Assistant Professor of Department of Commerce of Saitama Women's Junior College
		Apr. 1992	Associate Professor of Department of Commerce of Saitama Women's Junior College
		Apr. 1993	Assistant Professor of School of Commerce of Waseda University
		Apr. 1995	Associate Professor of School of Commerce of Waseda University
		Apr. 2001	Professor of School of Commerce of Waseda University
		Apr. 2006	Professor of Faculty of Commerce of Waseda University (present position)
		Oct. 2008	Deputy Dean of Waseda University, Academic Affairs Division (Concurrent duties within the university until September 2012)
		Oct. 2012	Dean of Faculty of Commerce and Dean of School of Commerce of Waseda University (until 2016)
5	■Significant concurrent positions outside the Company Professor of Faculty of Commerce of Waseda University		
	■Special interest in the Company None		
	■Number of the Company's shares owned 0		
	■Reasons for nomination as a candidate for Director who concurrently serves as an Audit and Supervisory Committee Member and outline of expected roles: Kazue Shimamura has extensive knowledge and wide-ranging insight as an expert in the field of commerce, mainly in academia, including serving as Professor of the Faculty of Commerce at Waseda University, as well as having served as Deputy Dean of the Academic Affairs Division, Dean of the Faculty of Commerce, and Dean of the School of Commerce. She has also gained particularly deep knowledge in the fields of consumption and marketing, including being appointed as a "Customer Service Advisory Council Member" at a private company. On this basis, the Company believes that Kazue Shimamura can monitor the Company's business from an objective and independent standpoint; therefore, it has newly nominated her to serve as Outside Director who concurrently serves as an Audit and Supervisory Committee Member. Although she has not been involved in the management of a company in the past, for the reasons stated above, we believe that she will be able to appropriately perform her duties as Outside Director and Audit and Supervisory Committee Member.		

<Reference> Composition of the Board of Directors after this Ordinary General Meeting of Shareholders (Skill Matrix)

In order for the Company and the Group to achieve sustainable growth and enhance corporate value over the medium and long term, the Company is currently implementing a three-year Medium-Term Management Plan formulated based on its “Corporate Motto,” “Management Philosophy,” and “CSR Charter” that have been passed on since its founding, with the basic theme of “Open The Way To The Future — To Be A Comfortable Environment Solution Group,” and it is promoting business measures to achieve the Plan’s goals.

With regard to the composition of the Board of Directors, from the perspective of realizing the above basic theme and ensuring the diversity and expertise of the Board of Directors, the Company has appointed persons with management experience at other companies and legal experts, etc., and it has identified the skills necessary for the management of the Company, taking into consideration a balance of professionals who can demonstrate strengths in management in each business field and those who are suitable for maintaining and improving business administration and compliance.

If Proposals 2 and 3 are approved in their original form at this Ordinary General Meeting of Shareholders, the composition and expertise of the Board of Directors are as follows.

	Business Management	Industry Knowledge/Insight	Governance, Risk Management, Internal Control	Personnel and Labor Affairs, Human Resources Development, Social Issues	Financial Accounting, Finance, M&A	Sales Marketing	Product Development, Quality Control, Manufacturing, Procurement	International Experience Foreign Business
Toshihiko Shiozaki	○	○	○	○	○	○	○	
Hiroyuki Ogura	○	○	○	○		○		
Yoshinori Shimamura	○	○		○			○	○
Yoshinori Fujita	○	○				○		
Mitsuru Mita	○	○				○		
Haruhiko Ichikawa	○	○	○	○	○			
Hiroki Yamasaki	○	○				○		
Nariyuki Matsuyama		○	○	○			○	
Shozo Fujita	○		○	○				○
Kazufumi Abe			○	○	○		○	
Yoshihiko Hayasaka	○	○	○			○		
Kazue Shimamura				○	○	○		

< Shareholder proposals (Proposals 4 to 13) >

Proposals 4 and 5 are proposed by one (1) shareholder.

The subjects, summaries and grounds for the proposals have been written as the original of the proposals submitted by the shareholder.

< Shareholder proposal >

Proposal 4: Acquisition of treasury shares

Summary and grounds for proposal

1. Summary of proposal

Pursuant to Article 156, paragraph (1) of the Companies Act, within one year from the conclusion of this Ordinary General Meeting of Shareholders, the Company shall acquire up to 6,564,168 shares of the Company's common shares at a total maximum acquisition price of 7,122,122,280 yen in monetary payment.

2. Grounds for proposal

In a resolution of the Board of Directors passed on August 4, 2022, the Company resolved to acquire treasury shares, up to a maximum of 8,800,000 shares, equivalent to 13.1% of the total number of shares outstanding (excluding treasury shares) and a total maximum acquisition price of 7.0 billion yen, between August 31, 2022, and March 30, 2023. Based on this resolution, the Company acquired a total of 6,381,800 shares for a total acquisition price of 6,999,895,733 yen through March 13, 2023, and in this regard, the Company can be praised, to a certain extent, for executing a measure aimed at enhancing shareholder returns and improving capital efficiency. Although the share price of the Company has been gradually trending upward since August 4, 2022, it would be fair to say that in the market's assessment, the measures of the Company are still insufficient. Accordingly, with the aim to further increase the Company's shareholder returns and improve capital efficiency, we believe that the Company should adopt a policy whereby it acquires approximately 10% of its total number of shares outstanding (excluding treasury shares) as treasury shares and take measures for cancellation in accordance with Article 178 of the Companies Act.

[Opinion of the Company's Board of Directors on Proposal 4]

The Company's Board of Directors is opposed to this Proposal 4.

The Company positions the significant strengthening of returns to shareholders, including the acquisition of treasury shares, as one of the major themes of the Medium-Term Management Plan covering the years from fiscal year 2021 to fiscal year 2023, and has established a benchmark for the dividend payout ratio of 35%. Furthermore, the Company plans to achieve the total return ratio of over 70% averaging over the three years of the Medium-Term Management Plan mentioned above.

In addition, the Company recognizes that the acquisition of treasury shares is effective for enabling flexible capital measures in response to changes in the business environment, increasing the capital efficiency of the Company, and enhancing returns to shareholders, and thus acquired a total amount of 12.0 billion yen in treasury shares in fiscal year 2021 and fiscal year 2022.

As described above, the Company recognizes the importance of returns to shareholders, but believes that the acquisition of treasury shares should be determined based on medium- to long-term management strategies and capital measures, including the total return ratio in the Medium-Term Management Plan mentioned above, as well as actual business performance, and should be executed after considering the appropriate timing and amount, while taking into consideration the status of trading in the Company's shares and the share price. Article 7 of the Company's Articles of Incorporation stipulates that the Company may acquire treasury shares through market transactions, etc., by a resolution of the Board of Directors. As such, the Company will flexibly deliberate and consider the acquisition of treasury shares at meetings of the Board of Directors.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 5: Amendments to the Articles of Incorporation regarding the number of Outside Directors

1. Summary of proposal

In order to ensure that Outside Directors constitute a majority in the Company, Article 22 of the Articles of Incorporation of the Company shall be amended as follows.

Before amendments	After amendments
<p>Number of Directors Article 22</p> <p>1 The Company shall have no more than nine (9) Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members). The Company shall have no more than five (5) Directors who concurrently serve as Audit and Supervisory Committee Members.</p> <p>2 <u>(Newly established)</u></p>	<p>Number of Directors Article 22</p> <p>1 The Company shall have no more than nine (9) Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members). The Company shall have no more than five (5) Directors who concurrently serve as Audit and Supervisory Committee Members.</p> <p>2 <u>A major of Directors of the Company shall be Outside Directors, as provided for in Article 2, paragraph (1) (xv) of the Companies Act.</u></p>

2. Grounds for proposal

Principle 4.8 of Japan’s Corporate Governance Code states, “Independent directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid- to long-term. Companies listed on the Prime Market should therefore appoint at least one-third of their directors as independent directors that sufficiently have such qualities. Irrespective of the above, if a company listed on the Prime Market believes it needs to appoint the majority of directors as independent directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent directors.” In addition, Principle 4.7 of Japan’s Corporate Governance Code lists “Appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders” as one of the roles and responsibilities of independent outside directors.

Although the Company satisfies the criteria for having at least one-third of Directors be Outside Directors, as four (4) out of twelve (12) Directors are Outside Directors, we believe that, by more actively ensuring that a majority of Directors are Outside Directors, the Company will be able to improve capital efficiency and enhance shareholder returns, while also putting a corporate governance system in place that contributes to the sustainable growth of the Company and the enhancement of corporate value over the medium and long term.

In addition, regardless of the number of Outside Directors, in terms of the qualities of Outside Directors, the Company also requires human resources that are able to contribute to its sustainable growth and the enhancement of corporate value over the medium and long term. On this point, we think the Company should consider the appointment of analyst(s) who possess a high level of experience and skills.

We believe that the appointment of “human resources with a high level of experience and skills as analyst(s)” will add the viewpoint of external investors and shareholders to the Board of Directors, while also serving as an effective method that contributes to increasing corporate value through healthy risk-taking. Originally, the Boards of Directors of listed companies and investors and shareholders should share the same goal of increasing corporate value over the long term. In Japan, however, these two parties are, unfortunately, often understood in terms of an opposing relationship. We believe that participation in discussion and decision-making at meetings of the Board of Directors by Directors with the experience and skills described above will contribute to healthy risk-taking and capital allocation, and also ensure that the relationship between the Board of Directors and equity markets is constructive, as it should be, through better communication with the market. It is often explained that persons with

experience at banks and accountants cover the finance part of skill matrixes for Directors, but we believe expertise in accounting and debt markets alone is insufficient from the perspective of encouraging “healthy risk-taking,” and think the appointment of an expert in equity markets would be meaningful.

[Opinion of the Company’s Board of Directors on Proposal 5]

The Company’s Board of Directors is opposed to this Proposal 5.

The seven (7) candidates proposed for the position of Director (excluding those who concurrently serve as Audit and Supervisory Committee Members) nominated by the Company’s Board of Directors are all from within the Company and are well-versed with the Company’s business, having abundant and wide-ranging knowledge and a high level of expertise based on their work experience in various divisions of the Company.

In addition, four (4) of the five (5) candidates for Director who concurrently serve as Audit and Supervisory Committee Members are outsiders who are independent from the Company and have a wide range of knowledge and insight backed by abundant experience, including lawyers who are legal experts and persons with management experience at other companies. The Board of Directors is composed of a balance of professionals who can demonstrate strengths in diversity and expertise on the Board of Directors and those who are suitable for maintaining and improving business administration and compliance.

The Company believes that the Board of Directors, which consists of candidates for Director proposed by the Company, not only maintains sufficient independence, but also has an optimal composition that combines diversity and expertise in accordance with the Company’s business environment and business characteristics, such as active discussions from various perspectives in supervising the execution of management for the sustainable growth of the Group and enhancement of its corporate value over the medium to long term.

At the same time, the Company believes that the establishment of such a provision in the Articles of Incorporation as proposed in the Shareholder Proposal may actually limit the scope of selection of candidates for Director and hinder the maintenance of an optimal composition of the Board of Directors.

Therefore, **the Company’s Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposals (Proposals 6 to 13) >

Proposals 6 through 13 are proposed by two (2) shareholders.

The headings, subjects, details and grounds for the proposals have been sorted for each proposal, and have been written as the original of the proposals submitted by the shareholders.

Proposals 3 through 8 below (hereinafter referred to as “Proposal for Amendment to the Articles of Incorporation”) are subject to approval or rejection of other proposals (including a proposal proposed by the Company) at this Ordinary General Meeting of Shareholders. If any adjustment (including, but not limited to, correction of misplaced Article numbers) is required to any Chapter or Article in the Articles of Incorporation described as Proposal for Amendment to the Articles of Incorporation, the Articles relating to the Proposal for Amendment to the Articles of Incorporation shall be read as the Articles after the necessary adjustments. For a detailed description of each of the shareholder proposals below, please refer to <https://stracap.jp/5930-BUNKA/> or the special website link <https://stracap.jp/> at the upper right corner of the website of Strategic Capital Corporation. All Company figures in each shareholder proposal are based on consolidated financial statements unless stated as (non-consolidated).

The Company’s Note: “Proposals 3 through 8” above refer to Proposals 8 through 13.

< Shareholder proposal >

Proposal 6: Appropriation of surplus

1. Proposal details

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

127 yen, less the amount of dividends per share of common stock based on the proposal for the appropriation of surplus proposed by the Board of Directors of the Company that was approved at the 77th Ordinary General Meeting of Shareholders, the amount of dividends per share of common stock determined by the Board of Directors of the Company by the date of the 77th Ordinary General Meeting of Shareholders as the appropriation of surplus at the end of the fiscal year ended March 31, 2023 (including the planned appropriation thereof) pursuant to Article 39 of the Company's Articles of Incorporation, and the amount of interim dividends per share of common stock of 21 yen for the fiscal year ended March 31, 2023 (the sum of these amounts is hereinafter referred to as the "Company's Dividend Amount"), which shall be added to the Company's Dividend Amount to be distributed.

If the amount of net income per share for the 77th term rounded down to the nearest yen (hereinafter referred to as the "Actual EPS") is different from 127 yen, the first amount of 127 yen shall be read as the Actual EPS.

The total amount of dividends shall be the amount obtained by multiplying the number of shares subject to dividends as of the record date of voting rights at the 77th Ordinary General Meeting of Shareholders of the Company.

(3) Effective date of distribution of dividends of surplus

The day following the date of the 77th Ordinary General Meeting of Shareholders of the Company

This proposal shall be additionally proposal as independent from and compatible with any proposals other than this proposal approved at the 77th Ordinary General Meeting of Shareholders.

2. Grounds for proposal

This proposal expects the Company to pay its entire net income as dividends, as well as to adopt 100% dividend payout ratio in the future, medium- to long-term capital policy.

As of the end of March 2022, the Company's equity ratio was 48.7%, and the Company's net cash (cash, deposits and securities, etc. minus borrowings, etc.; excluding in-the-money convertible-bond-type bonds with share acquisition rights) amounted to 37.1 billion yen as of the end of March 2022, which was over 40% of its market capitalization as of the end of March 2023.

In addition, the Company's ROE and P/B ratio have been similarly low over a long period compared with major general building materials manufacturers mainly handling shutters.

Accordingly, it is not necessary to retain funds within the Company, as any further increase in the company's equity will only result in a decline in ROE and thus a decline in the P/B ratio as well. The Company should use interest-bearing debt for business-related investment and should return its net income to shareholders to increase shareholder value.

[Opinion of the Company's Board of Directors on Proposal 6]

The Company's Board of Directors is opposed to this Proposal 6.

The Company's basic policy on dividend policy is to determine the amount of dividends in consideration of the business performance of the fiscal year, while continuing to pay stable dividends to shareholders by strengthening its financial position and securing stable profits.

The Company positions the significant strengthening of returns to shareholders, including the acquisition of treasury shares, as one of the major themes of the Medium-Term Management Plan covering the years from fiscal year 2021 to fiscal year 2023, and has established a benchmark for the dividend payout ratio of 35%. Furthermore, the Company plans to achieve a total return ratio of over 70% averaging over the three years of the Medium-Term Management Plan mentioned above, and thus it acquired a total amount of 12.0 billion yen in treasury shares in fiscal year 2021 and fiscal year 2022.

The Group believes that we must endeavor to respond to ESG and enhance our human capital, based on the Company's management philosophy, while also meeting the expectations of all stakeholders by leveraging our superior quality to contribute to the development of society. In addition, we continue to believe that our most important issues are the stable maintenance of a financial position that enables us to respond promptly to rapid changes in circumstances around the world and in Japan and ensure sustainable and stable growth, as well as investment to expand earnings from our businesses.

This shareholder proposal proposes to distribute all net income for the fiscal year ended March 31, 2023, as dividends, but we believe that paying such a dividend may hinder the achievement of medium- and long-term management challenges, while also causing concerns that it will be difficult to implement stable returns to shareholders in the future.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 7: Appropriation of surplus (Daiwa House shares distribution-in-kind)

1. Proposal details

(1) Type of dividend property

600,000 of the common shares of Daiwa House Industry Co., Ltd. (securities identification code: 1925; hereinafter referred to “Daiwa House”) (the shares of Daiwa House are hereinafter referred to as “Daiwa House shares”) (the dividend property is hereinafter referred to as the “distribution-in-kind property”)

(2) Total book value of the distribution-in-kind property

1,920,000,000 yen (the “amount recorded on the balance sheet” in the Annual Securities Report dated June 21, 2022)

(3) Allocation of dividend property

(a) Minimum number of shares:

One (1) Daiwa House share shall be allotted per 121 common shares of the Company.

(b) Right to demand distribution of monies:

Shareholders who hold the minimum number of shares may demand that the Company delivers monies equivalent to the amount calculated in accordance with the provisions of Article 455, paragraph (2) of the Companies Act and Article 154 of the Regulations on Corporate Accounting, instead of the Daiwa House shares. The exercise period for the right to make this demand shall start on the day on which the 77th Ordinary General Meeting of Shareholders is held, and shall end on the day when one (1) month has passed since that day.

(c) Below minimum shareholding (refers to shares less than the above (a)):

Shareholders with below minimum shareholding shall not be allotted Daiwa House shares, and shall instead be paid monies equivalent to the amount calculated in accordance with the provisions of Article 456 of the Companies Act.

(4) Effective date of distribution of dividends of surplus

The day when two (2) months have passed since the date of the 77th Ordinary General Meeting of Shareholders.

This proposal shall be additionally proposal as independent from and compatible with any proposals other than this proposal approved at the 77th Ordinary General Meeting of Shareholders.

2. Grounds for proposal

The proposing shareholder believes that the Company should not hold any policy shareholdings, but in this proposal, first, we request that the Company conducts a distribution-in-kind of Daiwa House shares, which have a large monetary value and there is also clearly little rationality for holding them.

On this point, at last year’s General Meeting of Shareholders, Yuji Yamada, Managing Executive Officer of Daiwa House, declared that “Even if our customers and suppliers attempt to sell their Daiwa House shares, we will not obstruct that sale through, for example, reducing transactions.”

The Company states that the purpose of holding Daiwa House shares is to “maintain and strengthen a good relationship,” and it has disclosed that it has verified the rationality of holding them, although it is difficult to provide quantitative information about the benefits of holding them. The Company’s purpose for holding these shares, however, ignores the will of Daiwa House and is nothing more than an assumption, and is thus irrational.

The Company should promptly revise its unique criteria for assessments, under which it judges that simple assumptions are “rational.” The Company should then correctly recognize that it is irrational to hold policy shareholdings, and it should dispose of all policy shareholdings, including Daiwa House.

[Opinion of the Company’s Board of Directors on Proposal 7]

The Company’s Board of Directors is opposed to this Proposal 7.

The Company has been holding the policy shareholdings when the Company determines that such holding will contribute to the enhancement of the Company’s medium- to long-term corporate value with the aim to expand and sustain the Company’s business development and to maintain and strengthen stable transactions and business relationship with the business partners. Additionally, every year the Company’s Board of Directors, based on the merits and risks of holding policy shareholdings from a medium- to long-term perspective, and, for each individual issuing company, determines whether the related revenues such as received-dividend and related-business transaction profit meet the Company’s capital cost, and whether it is reasonable or necessary to hold such shares. If, as the result of such evaluation, the Company determines that shares issued by a particular issuer are no longer considered reasonable or necessary to hold, it is the Company’s policy to promote to sell such shares and to reduce the number of such shares held by the Company. Based on the above policy, the Company is reducing the policy shareholdings and the ratio of policy shareholdings to consolidated net assets has been reduced from 15.8% as of the fiscal year ended March 31, 2018 to 8.4% as of the fiscal year ended March 31, 2023. The Company intends to continue the reduction in the future.

In relation to Daiwa House Industry Co., Ltd., the Company has also conducted an examination in accordance with the above standards, and has judged that, at present, the holding is rational and necessary. Accordingly, the Company believes that it is not necessary to appropriate surplus through a distribution-in-kind.

Therefore, **the Company’s Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 8: Amendments to the Articles of Incorporation concerning the convener and chairmanship of the General Meeting of Shareholders

1. Proposal details

Articles 15 and 16 of the current Articles of Incorporation shall be amended as follows.

Current Articles of Incorporation

Convener of the General Meeting of Shareholders

Article 15. Unless otherwise provided for in applicable laws or regulations, the Chairman of the Board of Directors shall convene a General Meeting of Shareholders upon resolution by the Board of Directors.

If the Chairman of the Board of Directors is unable to convene the meeting due to an accident, another Director, in the order of priority predetermined by resolution of the Board of Directors, shall convene the meeting.

Chairmanship

Article 16. Chairmanship of General Meetings of Shareholders shall be assumed by the Chairman of the Board of Directors. If the Chairman of the Board of Directors is unable to act as Chairman of the General Meeting of Shareholders, another Director, in the order of priority predetermined by resolution of the Board of Directors, shall perform such duties.

Proposed amendments

Convener of the General Meeting of Shareholders

Article 15. Unless otherwise provided for in applicable laws or regulations, the President shall convene a General Meeting of Shareholders upon resolution by the Board of Directors.

If the President is unable to convene the meeting due to an accident, another Director, in the order of priority predetermined by resolution of the Board of Directors, shall convene the meeting.

Chairmanship

Article 16. Chairmanship of General Meetings of Shareholders shall be assumed by the President. If the President is unable to act as Chairman of the General Meeting of Shareholders, another Director, in the order of priority predetermined by resolution of the Board of Directors, shall perform such duties.

2. Grounds for proposal

The next three (3) proposals, including this proposal, are intended to eliminate the influence of the Chairman of the Board of Directors Toshihiko Shiozaki (“Mr. Shiozaki”) over the Company’s management.

First, in April 2016, when Mr. Shiozaki was appointed President of the Company, the P/B ratio was approximately 1.1 times, but since 2018, it has become normalized for the Company’s share price to be below the liquidation value, and as of the end of March 2023, the P/B ratio was approximately 0.8 times.

Regardless of the fact that Mr. Shiozaki was involved in and responsible for this weakness in the share price, he does not even understand what corporate value is, and has no sense of crisis concerning the weakness in the share price, as described in the grounds for the proposals from the next proposal onward. Taking these circumstances into consideration, Mr. Shiozaki is not someone who will contribute to enhancing the corporate value of the Company.

Accordingly, in order for Mr. Shiozaki to resign as Director and appropriately transfer his role as Chairman to other Directors, in this proposal, we first propose to change the authority to convene and

chair General Meetings of Shareholders from the Chairman of the Board of Directors to the Director and President.

[Opinion of the Company's Board of Directors on Proposal 8]

The Company's Board of Directors is opposed to this Proposal 8.

The Company entrusts the role of Chairman to someone who has experience of serving as President, who is familiar with the management of the Company's businesses, and who is well known with extensive knowledge in the industry. We believe that the role continues to be valid as the Chairman's external activities related to industry bodies, etc., contribute to enhancing the Company's corporate value and to raising its social assessment.

In addition, the Group is a corporate group consisting of the Company, which is the parent company, and consolidated subsidiaries in Japan and overseas. The President is mainly responsible for the execution of businesses of the Company, while the Chairman takes responsibility for all aspects of management of the Group, and in this way we aim to enhance mobility and thus corporate value, through speeding up decision-making, etc.

Based on the above, the Company believes that having the Chairman, who is a Representative Director, take responsibility for the roles of convener and chairmanship of the General Meeting of Shareholders, which is the ultimate decision-making body of the Company, will enhance the effectiveness of the governance of the Group as a whole, and the Company considers the current governance system to be optimal as it includes this mechanism.

Since joining the Company in 1970, Representative Director and Chairman of the Board of Directors Toshihiko Shiozaki has acquired wide-ranging experience in many of the Group's operations. After assuming the office of Director of the Company in 2007, he supervised primarily the head office management department and business execution in Group companies, and after assuming the office of Representative Director and President in 2016, he strongly led the implementation of the five-year Medium-Term Management Plan. Subsequently, since assuming the office of Representative Director and Chairman of the Board of Directors in 2021, he has worked on the management of the Group as a whole, including the chairmanship of the Board of Directors, and in these and other ways, he has fulfilled his responsibilities as Director.

At present, he also serves as Chairman of Japan Rolling Shutters & Doors Association, and works to promote and enhance social business activities related to safety and security, such as the spread and promotion of fire-protection facilities and projects.

On this basis, the Company believes that he remains an essential person for the task of making decisions on the Group's management policies and corporate strategy.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 9: Amendments to the Articles of Incorporation concerning the chairmanship of the Board of Directors

1. Proposal details

Article 27 of the current Articles of Incorporation shall be amended as follows.

Current Articles of Incorporation

Rules of the Board of Directors

Article 27. Matters related to the operation of the Board of Directors shall be governed by the Rules of the Board of Directors determined by the Board of Directors, in addition to applicable laws, regulations, or these Articles of Incorporation.

Proposed amendments

Rules of the Board of Directors

Article 27. Matters related to the operation of the Board of Directors shall be governed by the Rules of the Board of Directors determined by the Board of Directors, in addition to applicable laws, regulations, or these Articles of Incorporation.

Notwithstanding the provisions of the preceding paragraph, chairmanship of the Board of Directors shall be assumed by an Outside Director predetermined by resolution of the Board of Directors. If this Outside Director is unable to act as Chairman of the Board of Directors, another Outside Director, in the order of priority predetermined by resolution of the Board of Directors, shall perform such duties. If all Outside Directors are unable to act as Chairman of the Board of Directors, a Director other than an Outside Director, in the order predetermined by resolution of the Board of Directors, shall act as Chairman.

2. Grounds for proposal

This proposal is intended to limit the chairmanship of the Board of Directors to Outside Directors.

Based on the original objective of companies with a board of directors, namely to separate the supervision and execution of management, it is appropriate for an Outside Director to take responsibility for proceedings of the Board of Directors as Chairman, in order for the Board of Directors to exercise its supervisory function.

In addition, as described below, in 2018, the Company executed an M&A transaction in Australia, but this must be said to be a failure from the perspective of enhancing shareholder value. Regardless, the management of the Company has not provided any form of explanation concerning this matter. Fundamentally, the Board of Directors should perform a thorough analysis and use this as a lesson for future business investment, so the fact that it has been neglected is evidence that the Board of Directors has focused solely on executing M&A, and has disregarded the supervisory function that it should be responsible for.

Giving the chairmanship of the Board of Directors to an Outside Director and strengthening the supervisory function of the Board of Directors can be expected to ensure the appropriate execution of management, and contribute to enhancing the shareholder value of the Company over the medium and long term.

[Opinion of the Company's Board of Directors on Proposal 9]

The Company's Board of Directors is opposed to this Proposal 9.

For the Board of Directors of the Company, the Company has adopted a system under which the Representative Director and Chairman of the Board of Directors, who is someone who has experience of serving as President and who is familiar with the management of the Company's businesses, assumes the chairmanship of the Board of Directors, and management checks and supervision are provided by highly independent Outside Directors, who make up one-third of the members of the Board of Directors.

At present, at meetings of the Board of Directors of the Company, there is active discussion by both internal and Outside Directors related to projects that span a wide range of areas, including important internal projects, decarbonization, and ESG. At the same time, efforts are made to, for example, enhance the transparency of decision-making by the Board of Directors, by having Directors who concurrently serve as Audit and Supervisory Committee Members, who hold voting rights at meetings of the Board of Directors, perform audits and supervision. In addition, based on the results of the evaluation of the effectiveness of the Board of Directors, the Company believes that the current Board of Directors is functioning sufficiently.

The role of the chairmanship of the Board of Director in the Company is not only to run meetings, but also to act as a leader to encourage sufficient discussion in the Board of Directors and guide the Board of making decisions. To perform this role, the chairmanship of the Board of Director should have sufficient understanding the Company's business management and so forth, and be a director capable of demonstrating leadership. The Company considers the current governance system to be optimal, as the Chairman of the Board of Directors, who has experience of serving as President and is familiar the management of the Company's businesses has assumed the chairmanship of the Board of Directors.

Conversely, adding the kind of regulation of this shareholder proposal to the Articles of Incorporation would mean that only Outside Directors could assume the chairmanship of the Board of Directors, and we believe that it is undeniable that the constant examination and verification of the Company's governance system, including the functioning of the Board of Directors, may make it difficult to operate the Board flexibly.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 10: Amendments to the Articles of Incorporation concerning the discontinuation of the position of Chairman of the Board of Directors

1. Proposal details

Article 28 of the current Articles of Incorporation shall be amended as follows.

Current Articles of Incorporation

Executive and Representative Directors

Article 28. The Board of Directors may, by its resolution, appoint one (1) Director to the position of Chairman of the Board of Directors, one (1) Director to the position of President, and a small number of Directors, respectively, to the positions of Deputy Chairman of the Board of Directors and Senior Adviser.

The Directors to represent the Company shall be elected by resolution of the Board of Directors from among Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members).

Proposed amendments

Executive and Representative Directors

Article 28. The Board of Directors may, by its resolution, appoint one (1) Director to the position of President.

The Directors to represent the Company shall be elected by resolution of the Board of Directors from among Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members).

2. Grounds for proposal

This proposal has been proposed with the intention of causing the resignation of Mr. Shiozaki as Director.

In response to the question “What is corporate value?” from the proposing shareholder, Mr. Shiozaki answered, “Corporate value includes everything, from the amount of net sales, to the amount of profits, to the number of employees, etc.” In addition, he has no sense of crisis regarding the fact that the share price of the Company is less than the liquidation value.

It is common knowledge that the existence of listed companies whose share price is less than the liquidation value is viewed as a problem, and that reform is required. Regardless of this fact, Mr. Shiozaki does not even understand the meaning of corporate value, and is not ashamed of the fact that the share price is below the liquidation value. Mr. Shiozaki states that “it is appropriate that the Company is listed on the Prime Market,” but he is not qualified to serve as a manager of a Company listed on the Prime Market.

Accordingly, we should take measures to enhance the shareholder value of the Company by discontinuing the position of Chairman and encouraging Mr. Shiozaki to resign as Director.

[Opinion of the Company's Board of Directors on Proposal 10]

The Company's Board of Directors is opposed to this Proposal 10.

The Company entrusts the role of Chairman to someone who has experience of serving as President, who is familiar with the management of the Company's businesses, and who is well known with extensive knowledge in the industry. We believe that the role continues to be valid as the Chairman's external activities related to industry bodies, etc., contribute to enhancing the Company's corporate value and to raising its social assessment.

In addition, the Group is a corporate group consisting of the Company, which is the parent company, and consolidated subsidiaries in Japan and overseas. The President is mainly responsible for the execution of businesses of the Company, while the Chairman takes responsibility for all aspects of management of the Group, and in this way we aim to enhance mobility and thus corporate value, through speeding up decision-making, etc.

Furthermore, in relation to business management of the Group, the Representative Director and Chairman of the Board of Directors provides advice concerning all aspects of management at the request of the President, etc., based on his experience to date, knowledge, and other qualities, in relation to matters such as recent changes in the business environment and initiatives to enhance business performance over the medium and long term and increase corporate value, while also contributing to strengthening the functions of the Board of Directors, including ensuring active discussion at meetings of the Board of Directors as the person responsible for the chairmanship of the Board of Directors. Accordingly, the Company believes that the position of Chairman is an important role.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 11: Amendments to the Articles of Incorporation concerning the disclosure of individual remuneration for Directors with representative authority

1. Proposal details

We require to add new Chapter and Article in the current Articles of Incorporation as set forth below.

Chapter 8: Disclosure of Officer Remuneration

Disclosure of Individual Remuneration for Directors with Representative Authority

Article 43. The Company shall disclose amounts paid as remuneration to Directors with representative authority in the previous fiscal year (including non-monetary remuneration), on an individual basis, in reports related to corporate governance that the Company submits to the Tokyo Stock Exchange.

2. Grounds for proposal

This proposal requires the disclosure of the remuneration of Mr. Shiozaki and Hiroyuki Ogura (“Mr. Ogura”), who are Representative Directors of the Company.

First, this proposal is intended to specify the Chief Executive Officer of the Company. In other words, by disclosing the remuneration of Mr. Shiozaki and Mr. Ogura on an individual basis, it should be made clear that the responsibilities of the Chairman and President are both significant, and it should be made clear whether or not they are receiving remuneration that is fitting of those responsibilities.

Furthermore, the objective of this proposal is to improve the governance of the Company in relation to remuneration. The Company delegates the determination of individual amounts of remuneration for each Director to Representative Directors, meaning that the Representative Directors of the Company are entrusted with determining their own amount of remuneration, albeit after consulting the Nomination/Remuneration Committee. In addition, the content of deliberations of the Nomination/Remuneration Committee are not disclosed in any form, meaning that the effectiveness of governance by this committee is unclear.

Based on the above points, the Company should make efforts to enhance governance related to remuneration by disclosing the remuneration of Representative Directors on an individual basis.

[Opinion of the Company's Board of Directors on Proposal 11]

The Company's Board of Directors is opposed to this Proposal 11.

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning the policy for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company.

In order to strengthen objectivity and accountability in relation to the remuneration of Directors, the Nomination/Remuneration Committee, a majority of whose members are independent Outside Directors, deliberates individual remuneration amounts and the total amount in advance, in response to the inquiry of the Board of Directors, and submits a report concerning the total amount of remuneration, then the Board of Directors makes a decision. The specific monthly amounts of remuneration for each Director and executive bonuses are determined for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company's business performance and other factors, and the determination is therefore delegated to Representative Director Toshihiko Shiozaki and Representative Director Hiroyuki Ogura.

With regard to disclosure, the Company appropriately discloses in its Business Report and Annual Securities Report the total amount of remuneration by officer category, the total amount of remuneration by type, and the number of officers, in accordance with laws and regulations, and the Company believes it provides sufficient disclosure for confirmation by shareholders.

Thus, the Board of Directors of the Company believes that it is unnecessary to establish a provision in the Articles of Incorporation regarding this Shareholder Proposal, because governance concerning the procedures for determining the amount of remuneration, etc. of the Company's directors, including representative directors, is functioning effectively and the method of disclosure is appropriate.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 12: Amendments to the Articles of Incorporation concerning the disclosure of the method of calculating performance-linked remuneration for Directors with representative authority

1. Proposal details

We require to add new Article in the current Articles of Incorporation as set forth below.

Disclosure of the Method of Calculating Performance-Linked Remuneration

Article 44. If the Company paid performance-linked remuneration to Directors with representative authority in the previous fiscal year, it shall disclose the method of calculating the amount of this remuneration (including non-monetary remuneration), on an individual basis, in reports related to corporate governance that the Company submits to the Tokyo Stock Exchange.

2. Grounds for proposal

The Company states that executive bonuses and share-based remuneration are calculated based on factors such as the level of achievement of “profitability indicators” and “capital efficiency indicators,” with the “aim of increasing Directors’ awareness of contributing to growing enterprise value.”

While listing the enhancement of corporate value, however, no share price indicators are included in the indicators referenced, and the specific details of the indicators referenced are not disclosed.

Furthermore, in 2018, the Company issued 10.0 billion yen in convertible-bond-type bonds with share acquisition rights (the “CBs”) and acquired a company in Australia, but the full amount of the CBs is expected to be converted into equity. The corporate acquisition, which was made possible by the issuance of the CBs, resulted in a one-time increase in the ROE of the Company, but that will be achieved in return for the future dilution of shares and a lower ROE as a result of the conversion of the CBs.

Of course, the granting of remuneration based on a temporary increase in ROE, etc., is outrageous, but at present, the Company’s disclosure does not even deny the possibility of such senseless granting of remuneration. Accordingly, we request the detailed disclosure of remuneration plans through this proposal.

The Company's Board of Directors is opposed to this Proposal 12.

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning policies for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company, defining the Company's policy on performance-linked remuneration and the policy on non-monetary remuneration, etc.

First, the Company's policy on performance-linked remuneration stipulates that, with respect to executive bonuses which are performance-linked remuneration, with reference to survey data of executive remuneration by an external professional organization, of the total amount of Officer remuneration, a standard amount for the total amount of executive bonuses shall be set based on the ratio of each type of remuneration, and the total amount of executive bonuses shall be calculated by the degree of achievement of profitability indicators, etc. Specifically, the total amount of executive bonuses is calculated by calculating the target achievement ratio multiplier based on the degree of achievement of consolidated operating income, etc., and multiplying this target achievement ratio multiplier by the standard amount of total executive bonuses.

In addition, the policy on non-monetary remuneration, etc. stipulates that, with respect to performance-linked share-based remuneration, with reference to survey data of executive remuneration by an external professional organization, of the total amount of Officer remuneration, each Director shall be granted a fixed number of points for each position based on the ratio of each type of compensation and share-based remuneration points calculated based on the degree of achievement of profitability and capital efficiency indicators, and will receive shares of the Company in proportion to the number of points granted. Furthermore, at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, the Company obtained approval for the introduction of a Performance-Linked and Share-Based Remuneration Plan, clarifying the link between Directors' remuneration and the Company's performance and stock value, allowing them to share with all shareholders the risks and rewards of stock price fluctuations, and aiming to raise awareness among directors to contribute to improving business performance and increasing corporate value over the medium to long term. Specifically, the share-based remuneration points are calculated by calculating the target achievement ratio multiplier based on the fixed number of points for each position and the degree of achievement of ROE, etc., and multiplying this target achievement ratio multiplier by the base points for each position.

With the aim of strengthening objectivity and accountability regarding Directors' remuneration, the Nomination/Remuneration Committee, the majority of whose members are independent Outside Directors, deliberates the individual and total amounts of remuneration in advance in consultation with the Board of Directors, and reports the total amount of remuneration to the Board of Directors for decision.

Thus, the Board of Directors of the Company believes that the procedures for determining executive bonuses which are performance-linked share-based remuneration, are appropriate and that the calculation method is sufficiently disclosed for confirmation by shareholders, and therefore, it is unnecessary to establish a provision in the Articles of Incorporation regarding this Shareholder Proposal.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

< Shareholder proposal >

Proposal 13: Amendments to the Articles of Incorporation concerning the disclosure of information related to the M&A in Australia

1. Proposal details

We require to add new Chapter and Article in the current Articles of Incorporation as set forth below.

Chapter 9: Disclosure of Success of M&A

Disclosure of Success of M&A

Article 45. At least once per year, the Company shall disclose amounts equivalent to net sales, operating income, and net income at BX BUNKA AUSTRALIA PTY LTD (former company name: ArcPac Garage Doors Pty Ltd), which the Company made a consolidated subsidiary in March 2018.

The specific method of disclosure and other matters not stipulated in the preceding paragraph shall be determined by resolution of the Board of Directors.

2. Grounds for proposal

In March 2018, the Company acquired an Australian building materials company with a total investment of approximately 8.7 billion yen. This acquisition significantly impacts the management of the Company, taking into consideration factors such as the fact that the market capitalization of the Company on the day the acquisition was announced was approximately 71.5 billion yen, the fact that the Company issued 10.0 billion yen of the CBs in August 2018 for the acquisition, and the fact that it is regarded as a certainty that the full amount of the CBs will be converted into equity.

As of March 2023, however, the Company has not made any specific disclosure concerning the success of the acquisition, and it has only disclosed net sales and gross profit for the “Overseas Business,” consisting of the total combined with Vietnam, which is unrelated to Australia. The proposing shareholder has requested the disclosure of information many times, but the Company has rejected these requests. To conduct such a large-scale acquisition while not disclosing anything to investors must be described as dishonest.

The Company should appropriately and sincerely disclose information related to the M&A in Australia. We would also like the Company to take steps toward its next investment based on the assessment of investors.

[Opinion of the Company's Board of Directors on Proposal 13]

The Company's Board of Directors is opposed to this Proposal 13.

Since the previous Medium-Term Management Plan, the Group has been promoting the Overseas Business as a focus business.

In the Medium-Term Management Plan covering the years from fiscal year 2021 to fiscal year 2023, we set a target for the Overseas Business of achieving 10% of total Group sales.

Among the Overseas Business, Australia is the region into which the Company entered through a full-scale overseas M&A transaction for the first time, dispatching a local representative and working closely with him to carry out PMI (Post Merger Integration). Since then, we have steadily expanded our business domain from residential garage door business to industrial shutter business as initially planned.

The Shareholder Proposal seeks to establish a new provision in the Company's current Articles of Incorporation that requires disclosure for BX BUNKA AUSTRALIA PTY LTD. of the amounts equivalent to its net sales, operating income, and net income at least once a year, etc. However, the Company believes that details of information disclosure such as the Company's focus businesses and financial results should be determined appropriately from time to time, and it believes that stipulating such a provision in the Articles of Incorporation, which are the fundamental rules of the Company, is inappropriate because it would actually hinder flexible disclosure of management information.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

Business Report

(From April 1, 2022 to March 31, 2023)

1. Business Progress and Achievements of the Corporate Group

(1) Overview of business during the fiscal year

1) Business activities and results

During the fiscal year, despite the impact of materials and energy price hikes, the Japanese economy showed signs of recovery as normalization progressed based on balancing countermeasures against COVID-19 with social and economic activities.

On the other hand, the poor performance of overseas economies due to global monetary tightening presents a risk of downward pressure on the Japanese economy, and factors such as increases in prices and supply constraints mean that the outlook is uncertain.

In the areas of construction and housing industries in which the Bunka Shutter Group operates, private capital expenditure is trending upward, albeit gradually, and construction demand is firm, but the outlook remains unclear owing to factors such as soaring prices of steel and other raw materials and the price of energy, and supply chain disruption.

Under these circumstances, the Bunka Shutter Group posted net sales of ¥199,179 million (up 9.3% year-over-year). With regard to profits, as a result of all Group segments exerting the utmost effort to secure profits by reflecting increases in raw materials prices, etc., in sales prices, improving profit margins, cutting costs, and other measures, operating income increased 6.4% year-over-year to ¥9,685 million, ordinary income grew 10.0% year-over-year to ¥9,992 million, and net income attributable to owners of the parent also was up 17.8% year-over-year to ¥7,899 million.

An overview of business segments is provided below:

(Shutter Business)

In the shutter business, the strong performance of heavy-duty shutters for large-scale distribution warehouses and large commercial complexes led to an increase in net sales of 12.7% year-over-year to ¥78,891 million, but operating income decreased 6.8% year-over-year to ¥6,233 million.

(Construction-Related Materials Business)

In the construction-related materials business, the strong performance of steel doors for large commercial complexes led to an increase in net sales of 7.5% year-over-year to ¥80,481 million, as well as an increase in operating income of 51.8% year-over-year to ¥2,645 million.

(Service Business)

The service business saw strong performance in emergency repairs and periodic maintenance services. Including the performance of a consolidated subsidiary Bunka Shutter Service Co., Ltd., net sales increased 6.3% year-over-year to ¥26,774 million, and operating income also increased 12.4% year-over-year to ¥4,539 million.

(Refurbishment Business)

In the refurbishment business, we are focusing our efforts on the building renovation business and the refurbishment business for residential properties. After including the performance of the consolidated subsidiary BX Yutori Form Co., Ltd., net sales increased 11.1% year-over-year to ¥6,367 million, and operating income was ¥62 million, as this business turned profitable after recording a loss in the previous fiscal year.

(Other Business)

In other business, the water-sealing business, which handles water-sealing equipment for dealing with the social problems of torrential rain, etc., remained strong, so net sales increased 2.4% year-over-year to ¥6,665 million, and operating income also rose 3.8% year-over-year to ¥940 million.

2) Capital investments

Capital investments during the fiscal year under review totaled ¥4,729 million, mainly for renewal and maintenance expenses of facilities for factories, etc. including rebuilding of office building at Himeji Factory, and system development expenses associated with DX and systems for digitalizing operations.

3) Financing

For the three years from October 2020 to October 2023, the Company has entered into commitment line agreements with financial institutions with a lending limit of 7.0 billion yen in order to raise funds efficiently and stabilize its financial base.

4) Business transfer, and absorption-type split or incorporation-type split

Not applicable.

5) Acquisition of business of other companies

Not applicable.

6) Succession of rights and obligations concerning business of other juridical persons, etc. by absorption-type merger or absorption-type split

Not applicable.

7) Acquisition or disposal of shares or other equity interests of other companies or share acquisition rights, etc.

Not applicable.

(2) Issues to be addressed

The Japanese economy is expected to continue to trend toward recovery going forward, as normalization progresses based on balancing countermeasures against COVID-19 with social and economic activities, but the future is still unpredictable, as the situation in Russia and Ukraine has yet to be resolved, and the various downward pressure to the economy, including the soaring raw materials prices and energy prices, cannot be eliminated.

Under these circumstances, the Bunka Shutter Group has started the three-year Medium-Term Management Plan from fiscal year 2021 through fiscal year 2023 under the underlying basic theme of “Open The Way To The Future — To Be A Comfortable Environment Solution Group” to independently respond to the rapidly changing social environment and strive to develop the business in a future-oriented way.

In the fiscal year 2023, the final fiscal year of the plan, under the basic policy of “‘achieving profit growth that exceeds sales growth’ ~putting more concrete measures and more concrete actions into practice~,” in addition to the initiatives from the previous fiscal year, the Company will continue to expand receiving orders and sales in the Company’s “Mainstay Businesses”: shutter business and door business, and we will also invest in strengthening our “Priority Businesses,” which will play a key

role in the future development of the Group, as part of our concerted efforts to ensure we achieve our targets, without fail.

Measures to prevent the spread of COVID-19

The government has changed the classification of COVID-19 under the Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases to “Class 5,” and it is expected that the balance between measures against infection and social and economic activities will progress further in the future.

Despite the change to “Class 5,” however, it does not mean there will be any change in the transmissibility and virulence of COVID-19, and the Group will thus continue taking basic measures to prevent infection, while placing the utmost priority on ensuring the safety of all stakeholders and preventing the spread of infection in our initiatives.

Responding to climate change risks

The Group considers responding to climate change to be an important issue that should be resolved immediately. We have announced the “BX Group 2050 Declaration of Decarbonization,” and are promoting full-fledged initiatives aimed at decarbonization.

In October 2021, we have expressed our support in TCFD (Task Force on Climate-related Financial Disclosure). We consider the impact of climate change as both risk and opportunity to our business. Especially regarding our core shutter and door business, the Group has formulated two scenarios, a “less than 2°C scenario” and a “4°C scenario,” and we perform analysis related to the impact and importance of each scenario on the Company’s financial position, then disclose the content of this analysis to shareholders and investors through our Annual Securities Report, etc.

As a “mitigation” aspect of our efforts to reduce greenhouse gas emissions, we will continue to rationalize energy use and to equalize electricity demand in our business activities in accordance with the Group’s Environmental Policy. We are also working toward obtaining SBT certificate (science-based greenhouse gas emission reduction target for private companies). With that in mind, we are promoting specific initiatives to upgrade company vehicles to EVs and HVs, procure electricity from renewable energy sources at our operating sites, and enhance loading efficiency with the introduction of “new logistics systems.”

Moreover, in the product development field, we are further expanding our lineup of environmentally friendly products, with the new addition of products such as “SGD” environmentally friendly steel doors, which combine a reduction in materials weight through thin plate with CO₂ emissions reduction through the adhesive method, and “Mado Master Soral” electric blind shutters, which use a blind function to enhance cooling and heating efficiency.

At the same time, in terms of adaptations to avoid and reduce the impact of the changing climate in the future, we are providing BCP support for public organizations and companies. We are also implementing flood damage measures for stores and housing, and expanding our lineup of water-sealing related products that can support various locations and applications, as well as new products for countering strong winds, as solutions to protect buildings and others from disasters due to the social problems of torrential rain and severe rainstorms, while also making timely and accurate proposals to customers and users, etc.

Initiatives to support diverse work styles

The Group is advancing initiatives to support diverse work styles so that all employees may approach their work with a deep sense of satisfaction.

We are curbing long working hours through the “visualization of working hours” and introducing telecommuting and remote work by improving the information and communications technology (ICT) environment. We are introducing DX to pursue efficiency and productivity at work, as well as the flex-time system to work efficiently according to career and life environment. We are also expanding the child-care leave system, family care leave system, and other personnel systems to treat employee work-life balance as important and to be able to flexibly adapt to individual lifestyles, and building a

working environment in which all employees can play an active role regardless of gender or nationality, etc.

Moreover, we aim to create a culture of mutual respect between working colleagues, and are actively providing education and training so our members can acquire the proper knowledge concerning discrimination and harassment. At the same time, based on our idea that “the value of a company lies in the harmony between the capabilities of each and every one of its employees,” we will create a training program that aims to enhance the general capabilities of our human resources, such as problem-solving capabilities and the ability to innovate.

As a part of our efforts to create a secure long-term working environment for employees, the Company has decided to raise the retirement age by one year every two years starting in the fiscal year 2023, to 65 years old in the fiscal year 2031, and will also sequentially increase the upper age limit for rehiring after retirement age to 70 years old. We will continue to actively create environment in which a diverse people can play an active role regardless of generations.

Promoting CSR

The Group is constantly aware of its “Corporate Motto (Honesty, Hard work, and Service),” which is the starting point of its business activities, as well as its “Management Philosophy” and “CSR Charter.” We are committed to conducting our business activities in compliance with all laws and regulations. We are strongly aware to pursuit of profit in a fair business environment. We understand that contribution to society at large through our business activities is the key to building a relationship of trust with society, and we are constantly working to improve our compliance system.

The Group will emphasize ESG (Environment, Society, Governance), which is an important topic for sustainable company growth and development, and SDGs (Sustainable Development Goals) while improving the corporate value of the Group and strengthening initiatives directed at the development of a sustainable society by actively promoting CSR (Corporate Social Responsibility) even further.

As noted above, the Group is committed to carrying out businesses geared to the resolution of constantly changing social challenges by evolving continually as a “Comfortable Environment Solutions Group.”

We remain grateful to all of our stakeholders for their ongoing assistance, advice, and support.

(3) Policy on decisions on dividends and other appropriation of surplus

The Company’s basic policy on dividend policy is to determine the amount of dividends in consideration of the business performance of the fiscal year, while continuing to pay stable dividends to shareholders by strengthening its financial position and securing stable profits.

As part of the Company’s efforts to develop a more flexible dividend policy, the Company amended its Articles of Incorporation at the 71st Ordinary General Meeting of Shareholders of the Company held in June 2017 and, pursuant to the provisions of Article 459, paragraph (1) of the Companies Act, the Company has stipulated that dividends of surplus may be paid by resolution of the Board of Directors. With regard to dividends of surplus for the fiscal year under review (year-end dividend), the Company will submit a proposal to the General Meeting of Shareholders in accordance with the above basic policy as before and will consult with shareholders regarding the decision.

(4) Assets and profit and loss

1) Changes in assets and profit and loss of the corporate group

(Millions of yen, unless otherwise noted)

Item \ By fiscal year	74th term FY2019	75th term FY2020	76th term FY2021	77th term FY2022 (Fiscal year under review)
Net sales	184,239	173,143	182,313	199,179
Ordinary income	10,003	11,910	9,081	9,992
Net income attributable to owners of the parent	6,603	8,399	6,706	7,899
Net income per share (Yen)	92.11	117.16	97.97	121.66
Total assets	165,874	168,350	169,205	177,246
Net assets	77,157	84,482	82,512	82,776
Net assets per share (Yen)	1,073.97	1,175.90	1,225.96	1,348.39

- Notes:
1. Net income per share is calculated based on the average total number of shares outstanding during the period, excluding treasury shares.
 2. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury shares.
 3. In calculating the amount of “net income per share,” the Company’s shares held by the trust for the share-based remuneration for Directors are included in the number of treasury shares deducted from the average number of shares outstanding during the period. They are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period in calculating the amount of “net assets per share.”

2) Changes in assets and profit and loss of the Company

(Millions of yen, unless otherwise noted)

Item \ By fiscal year	74th term FY2019	75th term FY2020	76th term FY2021	77th term FY2022 (Fiscal year under review)
Net sales	124,959	116,810	119,422	128,366
Ordinary income	6,981	9,209	6,707	9,618
Net income	5,259	7,338	5,865	9,532
Net income per share (Yen)	73.33	102.32	85.64	146.76
Total assets	129,091	130,603	128,753	134,546
Net assets	63,101	69,812	66,359	66,247
Net assets per share (Yen)	879.88	973.45	987.52	1,081.00

- Notes:
1. Net income per share is calculated based on the average total number of shares outstanding during the period, excluding treasury shares.
 2. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury shares.
 3. In calculating the amount of “net income per share,” the Company’s shares held by the trust for the share-based remuneration for Directors are included in the number of treasury shares deducted from the average number of shares outstanding during the period. They are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period in calculating the amount of “net assets per share.”

(5) Significant parent company and subsidiaries

1) Parent company

Not applicable.

2) Significant subsidiaries

Name	Share capital	Shareholding ratio of the Company	Principal lines of business
BX Shinsei Seiki Co., Ltd.	200 million yen	100.0%	Manufacture and sale of electric switches, various elevators, and measuring instruments
Bunka Shutter Service Co., Ltd.	110 million yen	100.0%	Repair and inspection of various shutters, etc.
BX Yutoriform Co., Ltd.	90 million yen	100.0%	Design, construction, and contracting of refurbishment and related businesses
BX Tenpal Co., Ltd.	30 million yen	100.0%	Manufacture and sale of awnings, etc. for commercial facilities and housing

(6) Principal lines of business (as of March 31, 2023)

The Group manufactures and sells various shutters, housing materials, building materials, construction hardware, etc., and conducts maintenance, inspection, and repair thereof, as well as insurance agency business, and home refurbishment business.

(7) Major offices and factories (as of March 31, 2023)

1) The Company's offices

Name	Location	Name	Location
Hokkaido Branch	Hokkaido	Partition Business Department	Tokyo Prefecture
Tohoku Branch	Miyagi Prefecture	Shutter Business Department	Tokyo Prefecture
Kanetsu Branch	Gunma Prefecture	Water-Sealing Division	Tokyo Prefecture
Higashi Kanto Branch	Chiba Prefecture	Maintenance Business Department	Tokyo Prefecture
Metropolitan Area Branch	Tokyo Prefecture	Overseas Business Department	Tokyo Prefecture
Metropolitan Area Building Construction Materials Branch	Tokyo Prefecture	Chubu Branch	Aichi Prefecture
Renovation Branch	Tokyo Prefecture	Kansai Branch	Osaka Prefecture
East Japan Design and Construction Management Department	Tokyo Prefecture	House Construction Materials West Japan Branch	Osaka Prefecture
Door Management Department	Tokyo Prefecture	West Japan Design and Construction Management Department	Osaka Prefecture
House Construction Materials East Japan Branch	Tokyo Prefecture	Chugoku-Shikoku Branch	Hiroshima Prefecture
Sales Promotion Department	Tokyo Prefecture	Kyushu Branch	Fukuoka Prefecture
Door Business Department	Tokyo Prefecture		

2) Factories of the Company

Name	Location	Name	Location
Chitose Factory	Hokkaido	Himeji Factory	Hyogo Prefecture
Akita Factory	Akita Prefecture	Gochaku Factory	Hyogo Prefecture
Oyama Factory	Tochigi Prefecture	Fukuoka Factory	Fukuoka Prefecture
Kakegawa Factory	Shizuoka Prefecture		

3) Major business offices of subsidiaries

Name	Location	Main lines of business
Bunka Shutter Service Co., Ltd.	Tokyo Prefecture	Repair and inspection of various shutters, etc.
BX Shinsei Seiki Co., Ltd.	Hyogo Prefecture	Manufacture and sale of electric switches, various elevators, and measuring instruments
BX Tenpal Co., Ltd.	Tokyo Prefecture	Manufacture and sale of awnings, etc. for commercial facilities and housing
BX Aiwa Co., Ltd.	Tokyo Prefecture	Insurance agency, lease introduction and brokerage, and travel business
BX Okinawa Bunka Shutter Co., Ltd.	Okinawa Prefecture	Manufacture and sale of various shutters and related products
BX Kensei Co., Ltd.	Oita Prefecture	Manufacture and sale of steel fittings and steel doors
BX Bunka Panel Co., Ltd.	Osaka Prefecture	Manufacture and sale of movable partitions, toilet booths, and metal doors
BX TR Co., Ltd.	Saitama Prefecture	Manufacture and sale of metal doors, partitions, etc. for entrances of detached houses, apartments, etc.
BX Yutoriform Co., Ltd.	Tokyo Prefecture	Design, construction, and contracting of refurbishment and related businesses
BX Koun Co., Ltd.	Aichi Prefecture	Manufacture and sale of stainless steel building materials, stainless steel specified fire protection equipment, etc.
BX Tetsuya Co., Ltd.	Chiba Prefecture	Manufacture, sale, and on-site construction of steel frames, steel doors, metal window frames, and various types of construction hardware
BX Tohoku Tetsuya Co., Ltd.	Yamagata Prefecture	Manufacture, sale, and on-site construction of steel frames, steel doors, metal window frames, and various types of construction hardware
BX Asahi Kenzai Co., Ltd.	Tokushima Prefecture	Manufacture and sale of steel building materials and steel doors
BX Nishiyama Tetsuami Co., Ltd.	Tokyo Prefecture	Manufacture and sale of foundation reinforcement units, welded wire mesh, lathes, etc. for residential use
BX Kaneshin Co., Ltd.	Tokyo Prefecture	Manufacture and sale of various types of hardware for construction
BX Tosho Co.,Ltd.	Kanagawa Prefecture	Architectural design of wooden houses
BX Rootes Co.,Ltd.	Osaka Prefecture	Manufacture and sale of various shutters and doors
BX BUNKA VIETNAM Co., Ltd.	Socialist Republic of Viet Nam	Manufacture and sale of various shutters and doors
BX BUNKA AUSTRALIA PTY LTD	Commonwealth of Australia	Manufacture and sale of garage doors
ECOWOOD Co., Ltd.	Fukuoka Prefecture	Manufacture and sale of recycled wood and plastic composites

(8) Employees (as of March 31, 2023)

1) Employees of the corporate group

Business category	Number of employees
Shutter Business	2,143 (591)
Construction-Related Materials Business	1,460 (458)
Service Business	990 (122)
Refurbishment Business	183 (46)
Other	97 (27)
Company-wide (common)	85 (13)
Total	4,958 (1,257)

Notes: 1. The number of employees is the number of full-time employees (excluding employees seconded from the Group to outside the Group and including employees seconded from outside the Group to the Group), and the

number of temporary employees (including contract employees, part-time employees, and employees on temporary contracts, excluding dispatched employees) is indicated separately in parentheses by the average number of employees per year.

2. The number of employees listed as company-wide (common) is the number of employees belonging to administrative divisions that cannot be categorized into specific segments.

2) Employees of the Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
2,047	Increase of 71 persons	43.1 years old	16.3

Business category	Number of employees
Shutter Business	1,369 (487)
Construction-Related Materials Business	574 (236)
Service Business	6 (1)
Refurbishment Business	3 (11)
Other	10 (5)
Company-wide (common)	85 (13)
Total	2,047 (753)

- Notes:
1. The number of employees is the number of full-time employees (excluding employees seconded from the Company to outside the Company and including employees seconded from outside the Company to the Company), and the number of temporary employees (including contract employees, part-time employees, and employees on temporary contracts, excluding dispatched employees) is indicated in parentheses by the average number of employees per year.
 2. The number of employees listed as company-wide (common) is the number of employees belonging to administrative divisions that cannot be categorized into specific segments.

(9) Major creditors (as of March 31, 2023)

Creditors	Loan balance	(Millions of yen)
Mizuho Bank, Ltd.	300	
MUFG Bank, Ltd.	300	
Sumitomo Mitsui Banking Corporation	300	
Sumitomo Mitsui Trust Bank, Limited	200	

(10) Other important matters concerning the current status of the corporate group

On June 9, 2010, the Company received a cease and desist order and surcharge payment order from the Japan Fair Trade Commission for alleged acts violating the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (“nationwide price cartel”). Subsequently, the Company submitted a request for an appeal to the Japan Fair Trade Commission, and was fighting the above orders through the appeal procedures since 2010.

In the appeal verdict on September 1, 2020, the Company’s assertions were not recognized, and the Company therefore filed a lawsuit seeking to overturn the appeal verdict on September 30, 2020, and was disputing the verdict at the Tokyo High Court. In response to the above, on April 7, 2023, the Tokyo High Court rendered a judgment that all the Company’s claims were to be dismissed, and on April 20, 2023, in objection to this judgment, the Company filed a final appeal and petitioned for the acceptance of the final appeal at the Supreme Court.

2. Current Status of the Company

(1) Shares (as of March 31, 2023)

- | | |
|---|--|
| 1) Total number of authorized shares | 288,000,000 |
| 2) Total number of issued shares | 72,196,487
(including 10,613,237 treasury shares) |
| 3) Number of shares per unit | 100 |
| 4) Number of shareholders | 4,686 |
| 5) Major shareholders (top 10 shareholders) | |

Name	Ownership of the Company's shares	
	Number of shares held	Shareholding ratio
	Shares	%
Bunka Shutter Affiliate Companies Holdings Association	5,844,777	9.49
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,836,800	9.47
The Dai-ichi Life Insurance Company, Limited	3,260,978	5.29
INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP	2,992,900	4.85
Bunka Shutter Employee Holdings Association	2,879,676	4.67
Mizuho Bank, Ltd.	2,534,873	4.11
INTERTRUST TRUSTEES CAYMAN LIMITED AS TRUSTEE OF JAPAN-UP UNIT TRUST	1,700,000	2.76
Yodogawa Steel Works, Ltd.	1,669,000	2.71
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,560,901	2.53
Custody Bank of Japan, Ltd. (Trust Account)	1,087,600	1.76

Note: Treasury shares (10,613,237 shares) are excluded when calculating shareholder ratios. Furthermore, treasury shares do not include 300,000 of the Company's shares held by Custody Bank of Japan, Ltd. (trust account) as trust assets for the "Officer Share Delivery Trust."

- 6) Other important matters concerning the shares
Pursuant to a resolution at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, the Company introduced a performance-linked and share-based remuneration plan for Directors (excluding Outside Directors) of the Company. As of March 31, 2023, the trust account for the trust for delivering shares with the eligible persons as beneficiaries held a total of 300,000 of the Company's shares.

(2) Share acquisition rights, etc. (as of March 31, 2023)

Outline of the share acquisition rights granted to “Euro-Yen Convertible-Bond-Type Bonds with Share Acquisition Rights Due 2023” (total face value: 10.0 billion yen) issued based on the resolution of the Board of Directors meeting held on August 28, 2018

Number of share acquisition rights	1,000 units
Type and number of shares to be acquired upon exercise of share acquisition rights	Common shares of the Company (share unit number: 100 shares) The number of shares of the Company’s common shares to be issued by the Company upon exercise of the share acquisition rights shall be the number obtained by dividing the total face value of the Bonds pertaining to the exercise request by the conversion price stated below. However, fractions of less than one share arising from the exercise shall be rounded down and no cash adjustment shall be made.
Money to be paid in exchange for share acquisition rights	Payment of money shall not be required in exchange for the share acquisition rights.
Conversion price	984.5 yen
Exercise period of share acquisition rights	From September 27, 2018 to August 30, 2023 (Local time at the location where the exercise request is accepted)
Conditions for exercising share acquisition rights	Partial exercise of each of the share acquisition rights shall not be permitted.

- Note:
1. In the fiscal year under review, 46 units of the share acquisition rights (460 million yen) were exercised, and the number of share acquisition rights outstanding as of the end of the fiscal year under review was 954.
 2. All shares delivered upon the exercise of share acquisition rights were treasury shares (467,242 shares).
 3. In accordance with the approval and passing of a proposal to pay a dividend of surplus of 21 yen per share as the interim dividend at a meeting of the Board of Directors held on November 8, 2022, the conversion price of the Euro-Yen Convertible-Bond-Type Bonds with Share Acquisition Rights Due 2023 was adjusted from 986.40 yen to 984.50 yen, in accordance with the conversion price adjustment clause in the bond outline of these bonds.

(3) Directors and Audit and Supervisory Committee Members of the Company

1) Directors (as of March 31, 2023)

Position	Name	Responsibilities in the Company and significant concurrent positions outside the Company, etc.
Representative Director and Chairman of the Board of Directors	Toshihiko Shiozaki	Chairman of Japan Rolling Shutters & Doors Association
Representative Director and President	Hiroyuki Ogura	Executive President
Director	Yoshinori Shimamura	Senior Managing Operating Officer and Responsible for Design, Construction, New Business, and Product Development
Director	Yoshinori Fujita	Managing Operating Officer and Responsible for Sales
Director	Mitsuru Mita	Managing Operating Officer and General Manager of East Japan Business Division
Director	Haruhiko Ichikawa	Managing Operating Officer and Responsible for Management Operations
Director	Hiroki Yamasaki	Senior Operating Officer and General Manager of West Japan Business Division
Director-Audit and Supervisory Committee Member (full-time)	Nariyuki Matsuyama	
Director-Audit and Supervisory Committee Member (outside / part-time)	Takao Iina	
Director-Audit and Supervisory Committee Member (outside / part-time)	Shozo Fujita	Outside Director-Audit and Supervisory Committee Member of Asset Management One Co., Ltd. Outside Director of Eco's Co., Ltd. Outside Audit & Supervisory Board Member of SANKI ENGINEERING CO., LTD.
Director-Audit and Supervisory Committee Member (outside / part-time)	Kazufumi Abe	
Director-Audit and Supervisory Committee Member (outside / part-time)	Yoshihiko Hayasaka	

- Notes:
1. Takao Iina, Shozo Fujita, Kazufumi Abe, and Yoshihiko Hayasaka are Outside Directors.
 2. The Company has designated Takao Iina, Shozo Fujita, Kazufumi Abe, and Yoshihiko Hayasaka as independent officers pursuant to the provisions of the Tokyo Stock Exchange and has registered them with the exchange.
 3. Director who concurrently serves as an Audit and Supervisory Committee Member, Nariyuki Matsuyama has business experience in the Internal Audit Department of the Company and has considerable knowledge of finance and accounting.
 4. In order to strengthen the audit and supervisory functions of the Audit and Supervisory Committee, Director Nariyuki Matsuyama has been elected as a full-time Audit and Supervisory Committee Member in order to attend important internal meetings, collect information from Executive Directors, employees, etc., and collaborate with the Internal Audit Department.
 5. Changes in responsibilities in the Company and significant concurrent positions outside the Company, etc. after the end of the fiscal year are as follows.

Date	Position	Name	Responsibilities in the Company and significant concurrent positions outside the Company, etc.
April 1, 2023	Director	Yoshinori Shimamura	Senior Managing Operating Officer and responsible for new business, product development, and overseas
April 1, 2023	Director	Yoshinori Fujita	Managing Operating Officer and responsible for sales, design, and construction
April 1, 2023	Director	Hiroki Yamasaki	Senior Operating Officer and General Manager of Sales Development Business Division

(Reference)

Operating Officers (excluding those who concurrently serve as Directors) as of April 1, 2023 are as follows.

Managing Operating Officer	Hiroshi Sakuma	Manager of Sales Promotion Department
Managing Operating Officer	Shinichi Osawa	Manager of Product Development Department
Managing Operating Officer	Tadahito Ooka	Responsible for Manufacturing
Managing Operating Officer	Makoto Ishii	Manager of Renewal Branch
Managing Operating Officer	Sadayuki Shindo	Manager of East Japan Design and Construction Management Department
Managing Operating Officer	Shinya Masutani	General Manager of House Construction Materials Business Division
Managing Operating Officer	Yukio Hasumi	Manager of Oyama Factory
Managing Operating Officer	Koji Takahashi	General Manager of West Japan Business Division
Operating Officer	Hitoshi Kasai	Manager of Partition Business Department
Operating Officer	Koichiro Motoki	Manager of Design and Construction Planning Department
Operating Officer	Toru Izumiya	Manager of Shutter Business Department
Operating Officer	Osamu Amano	Manager of Maintenance Business Department
Operating Officer	Koichi Nishimura	Manager of Accounting Department
Operating Officer	Akifumi Takahashi	Manager of Corporate Planning Department
Operating Officer	Satoshi Onose	Manager of Metropolitan Area Branch
Operating Officer	Takashi Shimizu	Deputy Manager of Product Development Department
Operating Officer	Isao Takemura	General Manager–Secretary Office of the Company
Operating Officer	Takahiro Goto	General Manager of Door Business Department and Overseas Business Department

2) Outline of the contents of the liability limitation agreement

At the 71st Ordinary General Meeting of Shareholders held on June 27, 2017, the Company amended its Articles of Incorporation to include the following provisions regarding liability limitation agreements for Directors (excluding those who are Executive Directors, etc.) as follows.

Liability Limitation Agreement with Directors (excluding those who are Executive Directors, etc.)

The Company may enter into an agreement with Directors (excluding those who are Executive Directors, etc.) to bear the liability of such Directors as set forth in Article 423, paragraph (1) of the Companies Act up to the amount prescribed by laws and regulations in cases where such Directors act in good faith and without gross negligence.

3) Outline of the contents of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, in which Directors (including Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company are included as insured persons. The insurance policy shall cover compensation for damages and litigation costs incurred by the insured person in case where a claim for damages is made to the insured person due to an act (including omission) based on the position of directors or officers of the Company. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, measures are taken so that the policy does not cover damages arising the cases caused by actions taken in the knowledge that the action violates laws or regulations. In principle, the Company pays the insurance premium.

4) Total amount of remuneration, etc. for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) and Directors who concurrently serve as Audit and Supervisory Committee Members

Category of Officers	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (millions of yen)			Number of eligible officers (persons)
		Fixed remuneration	Performance-linked remuneration		
			Bonuses	Share-based remuneration	
Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)	428	294	100	34	7
Directors (Audit and Supervisory Committee Members) (excluding Outside Directors)	20	20	–	–	1
Outside Directors and Outside Audit and Supervisory Committee Members	37	37	–	–	4
Total	486	351	100	34	12

- Notes:
1. The main business performance indicator for executive bonuses, which are performance-linked remuneration, is consolidated operating income, and the actual result was 9,685 million yen.
 2. The main business performance indicators for share-based remuneration, which is performance-linked remuneration, are ROE, etc., and the actual result was 9.6%.
 3. The amount paid to Directors does not include the portion of employee salaries of Directors concurrently serving as employees.

4. The maximum amount of monetary remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) was approved at the 71st Ordinary General Meeting of Shareholders held on June 27, 2017 as 600 million yen or less per year (however, excluding the portion of employee salaries). The number of Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) as of the conclusion of the General Meeting of Shareholders was nine (9). In addition, separately to the amount of monetary remuneration, an amount of share-based remuneration of 600 million yen or less and a maximum number of shares of 60,000 points or less per five (5) fiscal years were approved at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022. The number of Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) as of the conclusion of the General Meeting of Shareholders was seven (7).
 5. The maximum amount of remuneration for Directors who concurrently serve as Audit and Supervisory Committee Members was approved at the 71st Ordinary General Meeting of Shareholders held on June 27, 2017 as 100 million yen or less per year. The number of Directors who concurrently serve as Audit and Supervisory Committee Members as of the conclusion of the General Meeting of Shareholders was five (5).
- 5) Matters pertaining to the policy on the determination of the amount of remuneration, etc. for officers or the calculation method thereof

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning the policy for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company as follows. When making this Board of Directors' resolution, the Board of Directors consulted with and received a report from the Nomination/Remuneration Committee concerning the content of the resolution in advance. In addition, at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, the introduction of a performance-linked and share-based remuneration plan was approved, with the aim of increasing Directors' awareness of enhancing performance in the medium to long term and contributing to growing enterprise value, by clarifying the link between Directors' remuneration and the Company's performance and stock value, and allowing them to share with all shareholders the risks and rewards of stock price fluctuations.

The Company's basic policy regarding the remuneration, etc., for Directors of the Company is to determine appropriate levels of remunerations, etc., for each individual Director based on his/her role and responsibilities, etc., within the limit of the total amount of remuneration, etc. for each monetary and share-based remuneration determined by the General Meeting of Shareholders, in order to realize the Company's management policy and ongoing medium- to long-term improvement of the Company's corporate value. Directors' remuneration consists of "monthly remuneration," "executive bonus," and "share-based remuneration." However, Directors who concurrently serve as Audit and Supervisory Committee Members are paid only monthly remuneration in view of their duties.

In addition, with regard to remuneration, etc. for each individual Director for the current fiscal year, the Board of Directors has confirmed that the method of determining the details of remuneration, etc. and the resulting details of remuneration, etc. are consistent with the decision-making policy approved by the Board of Directors, and judged that they are in line with such decision-making policy.

The policy for determining the content of remuneration, etc. for individual Directors are as follows.

A. Policy on base remuneration

Monthly remuneration shall be in cash, and the amount of remuneration shall be set in consideration of the position, responsibility, level of contribution, and balance with the salary of the employees.

B. Policy on performance-linked remuneration

Executive bonuses, which are performance-linked remuneration, shall be monetary remuneration. Of the total amount of Directors remuneration, the total amount of bonuses to Directors is calculated based on the degree of achievement of profitability indicators and

other factors by setting a standard amount of total executive bonuses based on d. below, with reference to data from a survey of Directors remuneration by an external professional organization. Specifically, the total amount of executive bonuses is calculated by calculating the target achievement ratio multiplier based on the degree of achievement of consolidated operating income, etc., and multiplying this target achievement ratio multiplier by the standard amount of total executive bonuses. The share-based remuneration is performance-linked remuneration, the details of which are described in C below.

C. Policy on non-monetary remuneration, etc.

Non-monetary remuneration shall be performance-linked share-based remuneration. Share-based remuneration is aimed at increasing Directors' awareness of enhancing performance in the medium to long term and contributing to growing enterprise value, by clarifying the link between Directors' remuneration and the Company's performance and stock value, and allowing them to share with all shareholders the risks and rewards of stock price fluctuations. Of the total amount of Directors remuneration, the Company grants to each Director shares of the Company in proportion to the number of share-based remuneration points, calculated based on a fixed number of points for each position as well as the degree of achievement of profitability and capital efficiency indices based on d. below, with reference to data from a survey of Directors remuneration by an external professional organization. Specifically, the share-based remuneration points are calculated by calculating the target achievement ratio multiplier based on the fixed number of points for each position and the degree of achievement of ROE, etc., and multiplying this target achievement ratio multiplier by the base points for each position.

D. The ratio of "monthly remuneration," "executive bonus" (when 100% of the target is achieved), and "share-based remuneration" (when 100% of the target is achieved) is determined at a ratio of 6:3:1, with reference to the data, etc. from an external professional organization's survey on Directors' remuneration.

E. Policy on the timing and conditions for granting remuneration, etc.

Monthly remuneration shall be paid as one-twelfth of the annual amount for the current month in accordance with the date of payment of employee salaries, and in the case of payment of executive bonuses, such bonuses shall be paid in accordance with a. above by a resolution of the Board of Directors and paid promptly thereafter. In addition, with respect to share-based remuneration, the Company's shares shall be paid in accordance with the prescribed procedures upon retirement of a Director in proportion to the number of points granted, pursuant to the internal regulations separately stipulated in C above.

F. Matters concerning delegation of decisions on remuneration, etc.

In order to strengthen objectivity and accountability in relation to the remuneration of Directors, the Nomination/Remuneration Committee, a majority of whose members are independent Outside Directors, deliberates individual remuneration amounts and the total amount in advance, in response to the inquiry of the Board of Directors, and submits a report concerning the total amount of remuneration, then the Board of Directors makes a decision. The specific monthly amounts of remuneration for each Director and executive bonuses are determined for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company's business performance and other factors, and the determination is therefore delegated to Representative Director and Chairman of the Board of Directors Toshihiko Shiozaki and Representative Director and President, and Executive President Hiroyuki Ogura. The reason for the delegation is that the Company has determined that the Representative Director is suitable to determine the individual amounts for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company's overall business performance and other factors.

6) Matters concerning Outside Directors and Outside Audit and Supervisory Committee Members

A. Significant concurrent positions outside the Company

Shozo Fujita, a Director-Audit and Supervisory Committee Member, is an Outside Director-Audit and Supervisory Committee Member of Asset Management One Co., Ltd., an Outside Director of Eco's Co., Ltd., and an Outside Audit & Supervisory Board Member of SANKI ENGINEERING CO., LTD.

There is no special relationship between the Company and Asset Management One Co., Ltd., Eco's Co., Ltd., and SANKI ENGINEERING CO., LTD.

B. Activities of Outside Directors and Outside Audit and Supervisory Committee Members at Board of Directors meetings and Audit and Supervisory Committee meetings during the fiscal year

a. Attendance at Board of Directors meetings and Audit and Supervisory Committee meetings held in the fiscal year

Category	Board of Directors (held eight times)		Audit and Supervisory Committee (held nine times)	
	Number of times of attendance	Attendance rate	Number of times of attendance	Attendance rate
Takao Iina, Director	Eight times	100.0%	Nine times	100.0%
Shozo Fujita, Director	Eight times	100.0%	Nine times	100.0%
Kazufumi Abe, Director	Eight times	100.0%	Nine times	100.0%
Yoshihiko Hayasaka, Director	Eight times	100.0%	Nine times	100.0%

b. Outline of the major activities during the fiscal year and duties performed in relation to the role expected to be fulfilled

- Takao Iina, as a former Representative Director and Executive Vice President of a construction company, has abundant experience and deep insight as a corporate manager in the construction industry. He has provided advice on the Company's business activities and otherwise made proposals for the strengthening of corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Shozo Fujita, as a former public prosecutor and lawyer, has extensive knowledge and deep insight in the legal field. He has provided advice on the Company's business activities and otherwise made proposals for strengthening corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Kazufumi Abe, who has abundant practical experience at a metal materials manufacturer and deep insight gained through his work experience as an Audit & Supervisory Board

Member, has provided advice on the Company's business activities and otherwise made proposals for strengthening corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Yoshihiko Hayasaka has wide-ranging insight from his involvement in the management of a major construction company, as well as abundant practical experience in the construction industry. He has provided advice on the Company's business activities and otherwise made proposals for the strengthening of corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings and contributed to ensuring the adequacy and appropriateness of decision-making by the Company's Board of Directors and the Audit and Supervisory Committee.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

(4) Financial auditor

- 1) Name Crowe Toyo & Co.
- 2) Amount of remuneration, etc.

	Amount paid
1) Amount of remuneration, etc. for financial auditor for the fiscal year	50 million yen
2) Total amount of money and other economic benefits that the Company and subsidiaries should pay to the financial auditor	50 million yen

- Notes:
1. Under the audit agreement between the Company and the financial auditor, the amount of audit fees, etc. for audits based on the Companies Act and those based on the Financial Instruments and Exchange Act are not categorized, and it is practically impossible to categorize them. Therefore, the amount in 1) above indicates the total amount of these fees, etc.
 2. The Company's Audit and Supervisory Committee has agreed on the amount of remuneration, etc. for the financial auditor after conducting necessary verification of the content of the financial auditor's audit plan, evaluation and analysis of the audit results for the previous fiscal year, the status of the execution of accounting audit duties, and the appropriateness of the grounds for calculating the remuneration estimates.

- 3) Contents of non-audit services
Not applicable.

4) Policy on decisions of dismissal or non-reappointment of financial auditor

If the Company's Audit and Supervisory Committee deems it necessary for such cases as due to the Company's reasons, due to matters stipulated in the Company's Regulations on Audit and Supervisory Committee and other regulations, or if the execution of duties by a financial auditor is hindered, the Company's Audit and Supervisory Committee shall make a decision on a proposal for dismissal or refusal of reappointment, and the Company's Board of Directors shall submit such proposal to the General Meeting of Shareholders based on such proposal.

In addition, if the Company's Audit and Supervisory Committee finds that the financial auditor falls under any of the items set forth in each item of Article 340, paragraph (1) of the Companies Act, the Company's Audit and Supervisory Committee shall dismiss the financial auditor based on a resolution of the Audit and Supervisory Committee. In this case, the Director who concurrently serves as an Audit and Supervisory Committee Member elected by the Company's Audit and Supervisory Committee shall report the fact of the dismissal of the financial auditor and the reason for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

Note: The amounts and the number of shares shown in this business report are rounded down to the nearest whole number.

Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	107,629	Current liabilities	71,739
Cash and deposits	31,405	Notes and accounts payable - trade	18,825
Notes and accounts receivable - trade, and contract assets	45,290	Electronically recorded obligations - operating	21,217
Electronically recorded monetary claims - operating	8,267	Short-term loans payable	1,498
Merchandise and finished goods	9,768	Current portion of convertible-bond-type bonds with share acquisition rights	9,540
Work in process	1,862	Lease liabilities	918
Raw materials and supplies	7,444	Income taxes payable	1,659
Other current assets	3,753	Accrued expenses	6,734
Allowance for doubtful accounts	(162)	Contract liabilities	4,047
		Provision for bonuses	4,043
		Provision for bonuses for directors (and other officers)	136
Non-current assets	69,616	Provision for loss on construction contracts	341
Property, plant and equipment	34,791	Other current liabilities	2,777
Buildings and structures	11,631	Non-current liabilities	22,730
Machinery, equipment and vehicles	4,339	Long-term borrowings	24
Tools, furniture and fixtures	847	Lease liabilities	3,278
Land	12,616	Provision for retirement benefits for directors (and other officers)	256
Leased assets	1,199	Retirement benefit liability	17,744
Right-of-use assets	2,423	Provision for share awards for directors (and other officers)	34
Construction in progress	1,732	Guarantee deposits received	586
Intangible assets	8,590	Asset retirement obligations	53
Goodwill	4,259	Other non-current liabilities	751
Other intangible assets	4,330	Total liabilities	94,469
Investments and other assets	26,234	Net assets	
Investment securities	16,117	Shareholders' equity	78,377
Retirement benefit asset	1,751	Share capital	15,051
Deferred tax assets	5,906	Capital surplus	12,280
Other investments and other assets	2,700	Retained earnings	62,699
Allowance for doubtful accounts	(241)	Treasury shares	(11,654)
		Accumulated other comprehensive income	4,224
		Valuation difference on available-for-sale securities	2,675
		Revaluation reserve for land	(46)
		Foreign currency translation adjustment	543
		Remeasurements of defined benefit plans	1,051
		Non-controlling interests	174

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
		Total net assets	82,776
Total assets	177,246	Total liabilities and net assets	177,246

Consolidated Statements of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Account	Amount	
Net sales		199,179
Cost of sales		149,109
Gross profit		50,070
Selling, general and administrative expenses		40,385
Operating profit		9,685
Non-operating income		
Interest income	19	
Dividend income	258	
Surrender value of insurance policies	98	
Share of profit of entities accounted for using equity method	148	
Gain on sale of scraps	119	
Other non-operating income	291	936
Non-operating expenses		
Interest expenses	221	
Foreign exchange losses	162	
Commission for purchase of treasury shares	158	
Other non-operating expenses	85	629
Ordinary income		9,992
Extraordinary income		1,877
Extraordinary losses		454
Profit before income taxes		11,414
Income taxes - current	3,663	
Income taxes - deferred	(164)	3,498
Profit		7,916
Profit attributable to non-controlling interests		16
Profit attributable to owners of parent		7,899

Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	70,122	Current liabilities	54,030
Cash and deposits	13,536	Notes payable - trade	4,412
Notes receivable - trade	6,841	Electronically recorded obligations - operating	18,193
Electronically recorded monetary claims - operating	6,962	Accounts payable - trade	8,252
Accounts receivable - trade	21,076	Short-term loans payable	1,000
Contract assets	6,438	Current portion of convertible-bond-type bonds with share acquisition rights	9,540
Merchandise and finished goods	6,644	Lease liabilities	446
Work in process	682	Accounts payable - other	837
Raw materials and supplies	4,072	Income taxes payable	460
Advance payments to suppliers	1,273	Accrued consumption taxes	155
Prepaid expenses	339	Accrued expenses	5,119
Accounts receivable - other	1,299	Contract liabilities	2,330
Short-term loans receivable	896	Deposits received	181
Advances paid	68	Provision for bonuses	2,402
Other current assets	19	Provision for bonuses for directors (and other officers)	100
Allowance for doubtful accounts	(26)	Provision for loss on construction contracts	334
Non-current assets	64,423	Notes payable - facilities	263
Property, plant and equipment	20,547	Non-current liabilities	14,268
Buildings	6,900	Lease liabilities	648
Structures	657	Provision for retirement benefits	12,765
Machinery and equipment	2,258	Provision for share awards for directors (and other officers)	34
Vehicles	11	Provision for loss on business of subsidiaries and associates	218
Tools, furniture and fixtures	532	Guarantee deposits received	547
Land	8,232	Long-term unearned revenue	7
Leased assets	931	Asset retirement obligations	46
Construction in progress	1,023	Total liabilities	68,299
Intangible assets	1,684		
Patent right	24		
Software	1,118		
Leasehold interests in land	105		
Telephone subscription right	131		
Leased assets	45		
Other intangible assets	260		

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Investments and other assets	42,191	Net assets	
Investment securities	6,924	Shareholders' equity	63,980
Shares of subsidiaries and associates	22,251	Share capital	15,051
Investments in capital	17	Capital surplus	12,259
Long-term loans receivable	7,198	Legal capital surplus	9,151
Distressed receivables	136	Other capital surplus	3,108
Long-term prepaid expenses	19	Retained earnings	48,318
Guarantee deposits	24	Other retained earnings	48,318
Business insurance funds	558	Reserve for tax-purpose reduction entry of land	31
Leasehold deposits	866	General reserve	39,000
Deferred tax assets	3,817	Retained earnings brought forward	9,286
Prepaid pension costs	1,293	Treasury shares	(11,648)
Other investments, etc.	194	Valuation and translation adjustments	2,266
Allowance for doubtful accounts	(1,111)	Valuation difference on available-for-sale securities	2,266
		Total net assets	66,247
Total assets	134,546	Total liabilities and net assets	134,546

Statement of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Account	Amount	
Net sales		128,366
Cost of sales		100,248
Gross profit		28,118
Selling, general and administrative expenses		24,309
Operating income		3,808
Non-operating income		
Interest income	117	
Dividend income	5,810	
Other non-operating income	262	6,191
Non-operating expenses		
Interest expenses	33	
Provision of allowance for doubtful accounts	27	
Commission for purchase of treasury shares	158	
Foreign exchange losses	61	
Other non-operating expenses	99	380
Ordinary income		9,618
Extraordinary income		
Gain on sale of non-current assets	1,458	
Gain on sale of investment securities	413	
Provision of allowance for investment loss	120	1,992
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on retirement of non-current assets	112	
Loss on sale of investment securities	31	
Loss on valuation of shares of subsidiaries and associates	120	
Provision for loss on business of subsidiaries and associates	40	
Settlement payments	140	444
Income before income taxes		11,166
Income taxes - current	1,586	
Income taxes - deferred	48	1,634
Net income		9,532

Accounting Audit Report on the Consolidated Financial Statements

Independent Auditor's Report (Translation)

May 9, 2023

Bunka Shutter Co., Ltd.

To the Board of Directors

Crowe Toyo & Co.

Tokyo Office

Designated Engagement Partner

Certified Public Accountant, Makoto Hayasaki

Designated Engagement Partner

Certified Public Accountant, Hajime Hirai

Audit Opinion

We have audited the consolidated financial statements that are comprised of the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the related notes of Bunka Shutter Co., Ltd. (the "Company") and its consolidated subsidiaries (collectively referred to as the "Group"), as of March 31, 2023 and for the fiscal year from April 1, 2022 to March 31, 2023 in accordance with Article 444, paragraph (4) of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's other information reporting process.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, including the design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error. This includes the establishment and operation of the internal control which the management determines is necessary to prepare the consolidated financial statements that are free from material misstatements whether due to fraud or error, and to properly present it.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing matters related to a going concern as applicable in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. The auditor shall design and perform audit procedures that address the risk of material misstatement. The procedures selected to be applied depend on the auditor's judgment. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether

the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Interest

Our firm and the designated engagement partners do not have any interest in the Group that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Accounting Audit Report on the Non-consolidated Financial Statements

Independent Auditor's Report (Translation)

May 9, 2023

Bunka Shutter Co., Ltd.

To the Board of Directors

Crowe Toyo & Co.

Tokyo Office

Designated Engagement Partner

Certified Public Accountant, Makoto Hayasaki

Designated Engagement Partner

Certified Public Accountant, Hajime Hirai

Audit Opinion

We have audited the non-consolidated financial statements that are comprised of the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the related notes and the accompanying supplemental schedules (collectively, “non-consolidated financial statements, etc.”) of Bunka Shutter Co., Ltd. (the “Company”), as of March 31, 2023 and for the 77th fiscal year from April 1, 2022 to March 31, 2023 in accordance with Article 436, paragraph (2), item (i) of the Companies Act.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period for which the non-consolidated financial statements, etc. were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's other information reporting process.

Our opinion on the non-consolidated financial statements, etc. does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements, etc. or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, including the design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error. This includes the establishment and operation of the internal control which the management determines is necessary to prepare the consolidated financial statements that are free from material misstatements whether due to fraud or error, and to properly present it.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern, and disclosing matters related to a going concern as applicable in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. The auditor shall design and perform audit procedures that address the risk of material misstatement. The procedures selected to be applied depend on the auditor's judgment. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit of the non-consolidated financial statements, etc. is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if such notes are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the non-consolidated financial statements, etc., including the

related notes thereto, and whether the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Interest

Our firm and the designated engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report of the Audit and Supervisory Committee

Audit Report

The Audit and Supervisory Committee has audited the execution of duties by Directors for the 77th fiscal year from April 1, 2022 to March 31, 2023. We report the method and results as follows.

1. Method and details of the audit

With regard to the details of the resolutions of the Board of Directors on the matters listed in Article 399-13, paragraph (1), item (i), (b) and (c) of the Companies Act and the system (internal control system) developed based on such resolutions, the Audit and Supervisory Committee received periodic reports on the status of the relevant establishment and operation from Directors, employees, etc., requested explanations as necessary, expressed opinions, and conducted audits in the following manner.

- 1) In accordance with the Auditing, etc., Standards of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, and in accordance with the audit policy, division of duties, etc. for the fiscal year, in cooperation with the Internal Audit Department, we attended important meetings (to prevent the spread of COVID-19, including remote attendance, etc.), received reports on matters related to the execution of duties from Directors, employees, etc., requested explanations as necessary, inspected important approval documents, etc., and investigated the status of operations and assets of the head office and major business offices through audits, etc. In addition, with regard to subsidiaries, we communicated with and exchanged information with directors, etc. of subsidiaries, received business reports from subsidiaries as necessary, and investigated the status of business and assets through audits, etc.
- 2) With regard to the basic policy set forth in Article 118, item 3, (a) of the Regulations for Enforcement of the Companies Act and the initiatives set forth in (b) of the said item, which is stated in the business report, we reviewed the contents thereof in light of the status, etc. of deliberations at the meetings of the Board of Directors and other meetings.
- 3) We monitored and verified whether the financial auditor maintained an independent position and conducted appropriate audits, received reports from the financial auditor on the status of the execution of the duties, and requested explanations as necessary. In addition, we received a notice from the financial auditor that “systems for ensuring that the performance of the duties of the financial auditor are being carried out correctly” (matters listed in each item of Article 131 of the Regulations on Corporate Accounting) have been established in accordance with “Quality Control Standards for Audits” (Business Accounting Council, October 28, 2005) and other standards and requested explanations as necessary.

Based on the methods described above, we reviewed the business report and the accompanying supplementary schedules, the non-consolidated financial statements for the fiscal year under review (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, and the notes to consolidated financial statements) and the accompanying supplemental schedules, and the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to consolidated financial statements).

2. Result of Audit

(1) Results of audit of business report, etc.

- 1) We have found that the business report and the accompanying supplementary schedules accurately represent the status of the Company in accordance with laws and regulations and the Articles of Incorporation.

- 2) We have not found any misconduct or material fact in violation of laws and regulations or the Articles of Incorporation concerning the execution of duties by the Directors.
- 3) We have found that the Board of Directors' resolution on the internal control system is appropriate. In addition, we have not found any matter that should be pointed out, including internal control over financial reporting, regarding the operation status of said internal control system.
- 4) We have not found any matter that should be pointed out with regard to the basic policy on the persons who control the decision concerning financial and business policies of the Company stated in the business report.

(2) Results of audit of financial statements and the accompanying supplementary schedules

We confirm that the auditing method and results of the Independent Auditor, Crowe Toyo & Co., are appropriate.

(3) Results of audit of consolidated financial statements

We confirm that the auditing method and results of the Independent Auditor, Crowe Toyo & Co., are appropriate.

May 10, 2023

Audit and Supervisory Committee, Bunka Shutter Co., Ltd.

Audit and Supervisory Committee Member (full-time),
Nariyuki Matsuyama (Seal)

Audit and Supervisory Committee Member
(outside and independent officer),
Takao Iina (Seal)

Audit and Supervisory Committee Member
(outside and independent officer),
Shozo Fujita (Seal)

Audit and Supervisory Committee Member
(outside and independent officer),
Kazufumi Abe (Seal)

Audit and Supervisory Committee Member
(outside and independent officer),
Yoshihiko Hayasaka (Seal)

Note: Audit and Supervisory Committee Members Takao Iina, Shozo Fujita, Kazufumi Abe, and Yoshihiko Hayasaka are Outside Directors as prescribed in Article 2, item (xv) and Article 331, paragraph (6) of the Companies Act.

Shareholder Memo

Fiscal year	From April 1 of each year to March 31 of the following year
Ordinary General Meeting of Shareholders	Late June
Record date	March 31 Any other certain date for which public notice is given in advance, if necessary.
Record date for dividends Year-end dividends Interim dividends	March 31 September 30
Method of public notice	Available on the Company's website (URL https://www.bunka-s.co.jp/) However, if there is an accident or other unavoidable reason that means a notice cannot be made by electronic public notice, the Company will publish it in the Nihon Keizai Shimbun. *The balance sheet and the statement of income are disclosed in EDINET (electronic corporate disclosure system under the Financial Instruments and Exchange Act).
Shareholder register administrator	1-4-1 Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited
Account management institution for special account	1-4-1- Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited
Mailing address	Postal code: 168-0063 2-8-4 Izumi, Suginami-ku, Tokyo Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited
(Telephone inquiries)	Telephone: 0120-782-031 (toll-free within Japan only) Brokerage services are provided at the head office of Sumitomo Mitsui Trust Bank, Limited and its branches throughout Japan.

Applications for address change, purchase or increase of shares less than one unit, and others

Please inform the securities company with a shareholder's account.

Any shareholder who has opened a special account due to the absence of an account at a securities company is requested to submit an application to Sumitomo Mitsui Trust Bank, Limited, the account management institution for the special account.

Payment of dividends payable

Please make an application to Sumitomo Mitsui Trust Bank, Limited, the shareholder register administrator.