

Stock Code: 2267

June 1, 2023

(Start Date of Electronic Provision Measures May 29, 2023)

To our shareholders:

Hiroshi Narita, Representative President
10-30, Kaigan 1-chome, Minato-ku, Tokyo
Yakult Honsha Co., Ltd.

Notice of 71th Ordinary General Meeting of Shareholders

Dear Shareholders,

We are pleased to inform you that the 71th Ordinary General Meeting of Shareholders is scheduled as set forth below.

For the convening of this Ordinary General Meeting of Shareholders, information contained in the Reference Documents for the Ordinary General Meeting of Shareholders, etc. (the Electronically Provided Information) is provided electronically, and is posted on the Company's website as "Notice of 71th Ordinary General Meeting of Shareholders." Please access the Company's website by using the Internet address shown below to review the information.

Details

- Date/time** June 21, 2023 (Wednesday) at 10:00 am (reception to start at 9:00 am)
- Venue** "Hiten Main Banquet Hall" at Grand Prince Hotel New Takanawa
13-1, Takanawa 3-chome, Minato-ku, Tokyo
- Purposes of the shareholders' meeting**

Matters to be reported:

- Presentation of the business report, the consolidated financial statements and the audit results of the consolidated financial statements by an accounting auditor and the Board of Auditors for the 71th fiscal year (from April 1, 2022 to March 31, 2023)
- Presentation of the financial statements for the 71th fiscal year (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

- Proposal 1** Appointment of 15 directors
- Proposal 2** Determination of Remuneration for Granting Restricted Stock to Directors (Outside Directors and Excluding Part-time Directors)
- Proposal 3** Revision of Remuneration Amount for Audit & Supervisory Board Members

The Company's website

<https://www.yakult.co.jp/company/ir/meeting/shareholder/>

4. Decisions regarding the convocation

- (1) When a shareholder exercises voting rights using the voting form, if the approval or disapproval for the proposal is not specified, it will be handled as an indication of approval.
- (2) If a shareholder who has exercised his or her vote over the Internet also returns the voting form, the vote performed over the Internet will be considered as the shareholder’s voting intention.
- (3) In case the vote is cast more than once over the Internet, the final vote will be considered as the shareholder’s intention.
- (4) Please make sure that the voting form is returned by 5 p.m., June 20, 2023.
- (5) Voting over the Internet should be completed by 5 p.m., June 20, 2023.
- (6) If a shareholder is unable to attend the shareholders’ meeting, he or she may send a person with voting rights as a proxy. The person, however, should submit a written statement proving the appointment of the person as proxy.



The Electronically Provided Information is available on the Company’s website as well as on the website of the Tokyo Stock Exchange (TSE). To access it on the TSE’s website, please go to the website provided below (Listed Company Search), input or search for an issue name (company name) or a securities code, and then select “Basic information” and “Documents for public inspection/PR information.”

Any revision to the Electronically Provided Information will be reflected in the information provided on each website.

TSE website

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

Reference for General Meeting of Shareholders

Proposal 1: Appointment of 15 directors

The tenure of all the directors (15 directors) will expire at the close of the upcoming general shareholders' meeting and therefore we would like to propose the appointment of 15 new directors.

The details of the candidate for the post of directors are as stated below.

No	Name	The title of directors and their responsibilities within the Group at present			
1	Hiroshi Narita (Male)	Representative President, President & Executive Officer	Reappointment		
2	Hiroshi Wakabayashi (Male)	Director, Deputy President & Executive Officer	Reappointment		
3	Akifumi Doi (Male)	Director, Senior Managing Executive Officer	Reappointment		
4	Masao Imada (Male)	Director, Senior Managing Executive Officer	Reappointment		
5	Kouichi Hirano (Male)	Director, Senior Managing Executive Officer	Reappointment		
6	Ryuji Yasuda (Male)	Director	Reappointment	Outside	Independent
7	Naoko Tobe (Female)	Director	Reappointment	Outside	Independent
8	Katsuyoshi Shinbo (Male)	Director	Reappointment	Outside	Independent
9	Yumiko Nagasawa (Female)	Director	Reappointment	Outside	Independent
10	Satoshi Akutsu (Male)	Director	Reappointment	Outside	Independent
11	Manabu Naito (Male)	Director	Reappointment		
12	Masatoshi Nagira (Male)	Managing Executive Officer	Newly-appointed		
13	Hideaki Hoshiko (Male)	Managing Executive Officer	Newly-appointed		
14	Junichi Shimada (Male)	Managing Executive Officer	Newly-appointed		
15	Matthew Digby (Male)	—	Newly-appointed	Outside	Independent

[Yakult Honsha's policy on selecting director candidates]

-Upon selecting director candidates, the criteria set by the Company are that the person possesses a wealth of knowledge and experience as well as deep insights of the Yakult Group management and has appropriate capacity, personality and ideas worthy of a director.



-Yakult Honsha chooses the members of the Board of Directors not only through internal promotion within the Company but also from managers of sales companies, which are part of Yakult Group, and experts of various industries based on the viewpoint of the right person in the right place to enable diversity and open-hearted discussions.



The matters related to the nomination and compensation of directors will be resolved by the Board of Directors based on the report of "Nomination and Compensation Advisory Board" that is an advisory body of Board of Directors and is the majority of the members are independent outside directors.


(Reference)


The skill matrix of the candidates for director, such as knowledge and experience, is as follows.



	Knowledge and experience of candidate directors							
	Corporate management /Business operations	ESG /Sustainability	Corporate finance/ Corporate accounting	Legal /Risk management	Marketing /Sales	Overseas business	Research &Development / Quality assurance	Personnel affairs/ Human resources development
Hiroshi Narita	●	●			●	●		●
Hiroshi Wakabayashi	●	●	●	●				●
Akifumi Doi	●	●					●	
Masao Imada	●	●		●				
Kouichi Hirano	●				●		●	
Ryuji Yasuda	●		●			●		
Naoko Tobe		●		●				
Katsuyoshi Shinbo		●		●				
Yumiko Nagasawa	●		●					
Satoshi Akutsu			●		●	●		
Manabu Naito	●				●			
Masatoshi Nagira	●	●			●			
Hideaki Hoshiko	●			●				●
Junichi Shimada	●				●	●		
Matthew Digby		●		●		●		


No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
1	<p>Hiroshi Narita (Oct. 8, 1951) (Male)</p>  <p>Reappointment</p>	<p>Apr. 1974 Joined Yakult Honsha Jun. 2007 Director Jun. 2010 Managing Director Jun. 2011 Managing Executive Officer Jun. 2012 Director, Managing Executive Officer Jun. 2015 Director, Senior Managing Executive Officer Jun. 2021 Representative President, President & Executive Officer (to date)</p> <p>Material Concurrent Positions Owner of Yakult Kyudan Co., Ltd. Chairman, Japanese Association of Fermented Milks and Fermented Milk Drinks</p>	15,000
		<p>[Grounds for selection as a director candidate] Ever since appointed as the President and Representative Director in June 2021, the candidate has led the management of the Yakult Group, worked on the improvement of corporate value and ensured business results. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.</p>	
2	<p>Hiroshi Wakabayashi (Apr. 4, 1952) (Male)</p>  <p>Reappointment</p>	<p>Apr. 1977 Joined Yakult Honsha Jun. 2009 Director Jun. 2011 Executive Officer Jun. 2012 Managing Executive Officer Jun. 2015 Director, Managing Executive Officer Jun. 2016 Director, Senior Managing Executive Officer Jun. 2021 Director, Deputy President & Executive Officer (to date)</p>	12,300
		<p>[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience regarding accounting and administration and deep insights of the Yakult Group management and has served in a wide-range of positions such as the Divisional General Manager of the Management Support Division (public relations, legal and corporate planning, etc.) and Administrative Division and has been significantly contributing to the improvement of the Company's corporate value primarily in the corporate field. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.</p>	


No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
3	<p>Akifumi Doi (Nov. 3, 1953) (Male)</p>  <p>Reappointment</p>	<p>Apr. 1978 Joined Yakult Honsha Jun. 2011 Executive Officer Jun. 2015 Managing Executive Officer Jun. 2017 Director, Managing Executive Officer Jun. 2021 Director, Senior Managing Executive Officer (to date)</p> <p>[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience regarding production management and research and development and deep insights of the Yakult Group management and has served as the Divisional General Manager of the Production Division and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.</p>	12,000
4	<p>Masao Imada (Sep. 15, 1953) (Male)</p>  <p>Reappointment</p>	<p>Apr. 1979 Joined Yakult Honsha Jun.2013 Executive Officer Jun.2016 Managing Executive Officer Jun.2019 Director, Managing Executive Officer Jun.2022 Director, Senior Managing Executive Officer (to date)</p> <p>[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience regarding public relations and advertising and deep insights of the Yakult Group management and has served the Divisional General Manager of the Management Support Division (public relations, legal and corporate planning, etc.) and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.</p>	28,300



No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
5	Kouichi Hirano (Nov. 28, 1954) (Male)	Apr. 1979 Joined Yakult Honsha Jun. 2012 Executive Officer Jun. 2017 Managing Executive Officer Jun. 2021 Director, Managing Executive Officer Apr. 2023 Director, Senior Managing Executive Officer (to date)	12,100
	 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Reappointment</div>	Material Concurrent Positions President of Yakult Materials Co., Ltd.	
		[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience regarding Research and Development and deep insights of the Yakult Group management and has served the Divisional General Manager of the Research & Development Division and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.	



No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
6	<p>Ryuji Yasuda (Apr. 28, 1946) (Male)</p>  <div style="border: 1px solid black; padding: 2px; margin: 5px 0;">Reappointment</div> <div style="background-color: black; color: white; padding: 2px; margin: 5px 0;">Outside</div> <div style="border: 1px solid black; padding: 2px; margin: 5px 0;">Independent</div>	<p>Jul. 1976 Joined Morgan Guaranty Trust Company of New York (present JPMorgan Chase & Co.)</p> <p>Jun. 1991 Director, McKinsey & Company</p> <p>Jul. 1996 Asia Representative, A.T. Kearny, Inc.</p> <p>Jun. 2003 Representative Chairman, J Will Partners Co., Ltd.</p> <p>Jun. 2003 Outside Director, Daiwa Securities Group Inc.</p> <p>Apr. 2004 Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University</p> <p>Jun. 2007 Outside Director, Sony Corp.</p> <p>Jun. 2009 Director (to date)</p> <p>Jun. 2011 Outside Audit & Supervisory Board Member, the Asahi Shinbun Company</p> <p>Jun.2013 Outside Director, Orix Corp.</p> <p>Jun.2015 Outside Director, Benesse Holdings, Inc.</p> <p>Apr.2018 Specially approved visiting Professor, Hitotsubashi University Business School, School of International Corporate Strategy</p> <p>Apr.2018 Outside Director, Kansai Mirai Financial Group Inc. (to date)</p> <p>Mar.2020 Chairman, Tokyo Woman's Christian University (to date)</p> <p>Material Concurrent Positions Outside Director, Kansai Mirai Financial Group Inc. Chairman, Tokyo Woman's Christian University</p>	-
		<p>[Grounds for selection as an outside director candidate and expected roles] The candidate is based on the assessment that the expertise in business strategy he has accumulated over the years in wide-ranging positions including those of university professor, consultant and business manager enable him to offer pertinent advice regarding the overall management of the Company and supervise properly business execution and subsequently lead to further reinforcement and enhancement of the management structure.</p>	


No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
7	<p>Naoko Tobe (Dec. 15, 1957) (Female)</p>  <div style="display: flex; flex-direction: column; align-items: center; margin-top: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; margin-bottom: 5px;">Reappointment</div> <div style="background-color: black; color: white; padding: 2px 5px; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px 5px;">Independent</div> </div>	<p>Apr. 1985 Registers as attorney with Daiichi Tokyo Bar Association Apr. 1989 Joined Fukasawa Law Offices (present Fukasawa Sogo Law Offices) Apr. 2002 Domestic relations conciliation commissioner, Tokyo court of domestic relations (to date) Sep. 2005 Legal counselor, gender-equal society center of Kiyose city, Tokyo Apr. 2012 Partner, Fukasawa Sogo Law Offices (to date) Jun. 2019 Director (to date)</p> <p>Material Concurrent Positions Lawyer</p> <p>[Grounds for selection as an outside director candidate and expected roles] The candidate is based on the assessment that advanced knowledge and insight and abundant experience as a lawyer would enable her to offer objective views to the Company's management and supervise properly business execution and subsequently lead to further reinforcement and enhancement of the management structure.</p>	300
8	<p>Katsuyoshi Shinbo (Apr. 8, 1955) (Male)</p>  <div style="display: flex; flex-direction: column; align-items: center; margin-top: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; margin-bottom: 5px;">Reappointment</div> <div style="background-color: black; color: white; padding: 2px 5px; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px 5px;">Independent</div> </div>	<p>Apr. 1984 Registers as attorney with Daini Tokyo Bar Association Nov. 1999 Establish Shinbo Law Office Jun. 2015 Outside Audit & Supervisory Board Member, Sumitomo Mitsui Banking Corporation Jun. 2017 Outside Director, Sumitomo Mitsui Financial Group, Inc. (to date) Jun. 2017 Outside Audit & Supervisory Board Member, Mitsui Chemicals, Inc. (to date) Jun. 2021 Director (to date)</p> <p>Material Concurrent Positions Lawyer Outside Director, Sumitomo Mitsui Financial Group, Inc. Outside Audit & Supervisory Board Member, Mitsui Chemicals, Inc.</p> <p>[Grounds for selection as an outside director candidate and expected roles] The candidate is based on the assessment that advanced knowledge and insight as a lawyer and experience as an outside officer of another company and would enable him to offer objective views to the Company's management and supervise properly business execution and subsequently lead to further reinforcement and enhancement of the management structure.</p>	500

No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
9	<p data-bbox="240 253 421 376">Yumiko Nagasawa (Nov. 6, 1959) (Female)</p>  <div data-bbox="220 696 443 752" style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Reappointment</div> <div data-bbox="220 775 443 831" style="background-color: black; color: white; padding: 2px; margin-bottom: 5px;">Outside</div> <div data-bbox="220 853 443 909" style="border: 1px solid black; padding: 2px;">Independent</div>	<p data-bbox="472 253 1232 965"> Apr. 1984 Joined Nikko Securities Inc. (present SMBC Nikko Securities Inc.) Jul. 1998 Joined Citibank, N.A. Dec. 2004 Establish Foster forum(Organization to nurture high-quality financial products) Jun. 2017 Director, a general incorporated association japan industrial association (to date) Jun. 2018 Manager, Foster forum(Organization to nurture high-quality financial products) (to date) Jun. 2018 Representative Director and Vice Chairman, Public interest incorporated association Nippon Association of Consumer Specialists(to date) Jun. 2018 Outside Director, Yamaguchi Bank,Ltd. Apr. 2020 Part-time lecturer of Ochanomizu University Graduate School(to date) Jun. 2020 Outside Director, Yamaguchi Financial Group, Inc. (to date) Jun. 2021 Director (to date) Jun. 2021 Outside Director, GL Sciences Inc. (to date) </p> <p data-bbox="472 1003 1187 1160"> Material Concurrent Positions Manager, Foster forum(Organization to nurture high-quality financial products) Outside Director, Yamaguchi Financial Group, Inc Outside Director, GL Sciences Inc. </p> <p data-bbox="472 1167 1442 1346"> [Grounds for selection as an outside director candidate and expected roles] The candidate is based on the assessment that financial expertise and experience as an outside officer of another company and would enable her to offer objective views to the Company's management and supervise properly business execution and subsequently lead to further reinforcement and enhancement of the management structure. </p>	-

No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
10	<p data-bbox="236 253 422 376">Satoshi Akutsu (Jul. 11, 1966) (Male)</p>  <div data-bbox="225 696 443 757" style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Reappointment</div> <div data-bbox="221 770 443 831" style="background-color: black; color: white; padding: 2px; margin-bottom: 5px;">Outside</div> <div data-bbox="225 844 443 904" style="border: 1px solid black; padding: 2px;">Independent</div>	<p data-bbox="469 253 1233 831"> May.1998 Ph.D. in Business Administration of University of California, Berkeley Dec. 1998 Assistant Professor of Faculty of Commerce and Management of Hitotsubashi University Jun. 2002 Associate Professor of the Graduate School of International Corporate Strategy of Hitotsubashi University Apr. 2010 Visiting Professor of Collaborative Research Sector of National Institute of Informatics, Research Organization of Information and System Apr. 2010 Professor of the Graduate School of International Corporate Strategy(present Business Administration)of Hitotsubashi University(to date) Sep. 2013 Outside Director, Adastria Holdings Co., Ltd (present Adastria Co., Ltd) (to date) Jun. 2017 Outside Director, Nojima Corporation Jun. 2022 Director (to date) </p> <p data-bbox="469 869 1074 992"> Material Concurrent Positions Professor of the Graduate School of Business Administration of Hitotsubashi University Outside Director, Adastria Co., Ltd </p> <p data-bbox="469 999 1441 1182"> [Grounds for selection as an outside director candidate and expected roles] The candidate is based on many achievements as a marketing expert and would enable him to give useful advice to the entire business and to offer objective views to the Company’s management and supervise properly business execution and subsequently lead to further reinforcement and enhancement of the management structure. </p>	300

No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
11	<p>Manabu Naito (Jan. 9, 1960) (Male)</p>  <p>Reappointment</p>	<p>Apr. 1983 Joined Dentsu Inc. Apr. 1987 Joined Yakult Honsha Jul. 1989 Director of Yakult Mito Sales Co., Ltd Aug.1995 Joined Dentsu Kyushu Inc. Jul. 2004 First Sales Bureau Manager of Dentsu Kyushu Inc. May.2008 Senior Managing Director of Yakult Mito Sales Co., Ltd May.2010 President of Yakult Mito Sales Co., Ltd (to date) Jun. 2022 Director (to date)</p> <p>Material Concurrent Positions President of Yakult Mito Sales Co., Ltd</p> <p>[Grounds for selection as a director candidate] The candidate being based on the expectation that his long record of managing a Yakult sales company will be a various advice based on market actual conditions when he can offer pertinent advice, thus we judge he is capable of contributing significantly to the development of the entire Yakult Group continuously.</p>	1,700
12	<p>Masatoshi Nagira (Jan. 8, 1957) (Male)</p>  <p>Newly-appointed</p>	<p>Apr. 1980 Joined Yakult Honsha Apr. 2010 Deputy Branch Manager, West Japan Branch Jun. 2014 Executive Officer Jun. 2019 Managing Executive Officer (to date)</p> <p>[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience in the Japanese food and beverage business, cosmetics business, and management of sales companies and deep insights into the Yakult Group's management and has served as the Divisional General Manager of the Food and Beverages Business Division and Cosmetics Business Division. We judge that the candidate is capable of appropriately performing the duties of the Company's director for the Company's sustainable growth through the realization of its corporate philosophy and request his appointment as a director.</p>	5,700

No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
13	Hideaki Hoshiko (Nov. 23, 1958) (Male)  Newly-appointed	Apr. 1981 Joined Yakult Honsha Apr. 2010 General Manager of Legal Department Jun. 2014 Executive Officer Jun. 2019 Managing Executive Officer (to date)	3,500
[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience in legal, personnel, and general affairs and deep insights into the Yakult Group's management and has served as the Divisional General Manager of the Administrative Division. We judge that the candidate is capable of appropriately performing the duties of the Company's director for the Company's sustainable growth through the realization of its corporate philosophy and request his appointment as a director.			
14	Junichi Shimada (Apr. 9, 1960) (Male)  Newly-appointed	Apr. 1984 Joined Yakult Honsha Apr. 2012 General Manager of International Business Department Jun. 2016 Executive Officer Jun. 2022 Managing Executive Officer (to date)	2,900
[Grounds for selection as a director candidate] The candidate possesses a wealth of knowledge and experience in international business and deep insights into the Yakult Group's management and has served as the Divisional General Manager of the International Business Division. We judge that the candidate is capable of appropriately performing the duties of the Company's director for the Company's sustainable growth through the realization of its corporate philosophy and request his appointment as a director.			

No	Name (Date of Birth)	Personal History, title of the director and his/her responsibilities within the company, and material concurrent positions	No. of Company Shares Owned
15	Matthew Digby (Nov. 10, 1951) (Male)  <div style="border: 1px solid black; padding: 2px; margin-top: 5px; background-color: #4a7ebb; color: white; text-align: center;">Newly-appointed</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px; background-color: black; color: white; text-align: center;">Outside</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px; text-align: center;">Independent</div>	May.1973 University of Notre Dame, B.A. (Bachelor of Arts) Jun.1975 Sophia University M.A. (Master of Arts) May.1978 Columbia University Law School J.D. (Juris Doctor) Aug.1979 Registered as a New York Attorney Jun.1984 Registered as an Attorney in California Sep.2009 Registered as Foreign Lawyer (Gaikokuho Jimu Bengoshi) Dec.2009 Registered as attorney with the Tokyo Daiichi Bar Association Jan.2019 Senior Partner, Squire Patton Boggs (US) LLP (to date)	-
		Material Concurrent Positions Lawyer	
		[Grounds for selection as an outside director candidate and expected roles] The company has selected this candidate on the grounds that his abundant experience abroad as a lawyer and his advanced knowledge as well as his insight will enable him to give our management objective recommendation and appropriate supervision over our operations, which we expect will lead to further enhancement and enrichment to our global business management.	

- (Notes)
1. Six Candidates No.6 Mr. Ryuji Yasuda, No.7 Ms. Naoko Tobe, No.8 Mr. Katsuyoshi Shinbo, No.9 Ms. Yumiko Nagasawa, No.10 Mr. Satoshi Akutsu and No.15 Mr. Matthew Digby are candidates for outside directors.
 2. Five Candidates No.7 Ms. Naoko Tobe, No.8 Mr. Katsuyoshi Shinbo, No.9 Ms. Yumiko Nagasawa, No.10 Mr. Satoshi Akutsu and No.15 Mr. Matthew Digby have no experience of direct involvement in company management except to be an outside officer, but the company believes that they would be able to perform their duties appropriately as outside directors for the above reasons.
 3. Five Candidates No.6 Mr. Ryuji Yasuda, No.7 Ms. Naoko Tobe, No.8 Mr. Katsuyoshi Shinbo, No.9 Ms. Yumiko Nagasawa and No.10 Mr. Satoshi Akutsu are currently serving as the Company's outside directors and their respective terms of office as of the end of this Shareholders' Meeting are 14 years for Candidate No.6 Mr. Ryuji Yasuda, 4 years for Candidate No.7 Ms. Naoko Tobe, 2 year for Candidate No.8 Mr. Katsuyoshi Shinbo, 2 year for Candidate No.9 Ms. Yumiko Nagasawa and 1 year for Candidate No.10 Mr. Satoshi Akutsu.
 4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the company has concluded agreements with each director (excluding executive director, etc.) to limit the liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act. In the event that this proposal of Candidates No.6 Mr. Ryuji Yasuda, No.7 Ms. Naoko Tobe, No.8 Mr. Katsuyoshi Shinbo, No.9 Ms. Yumiko Nagasawa, No.10 Mr. Satoshi Akutsu and No.11 Mr. Manabu Naito are approved, the company intends to continue concluding these agreements with six candidates to limit the

liability for damages. And if the proposal of Candidates No.15 Matthew Digby is approved, the company intends to conclude the aforesaid agreement with him to limit the liability for damages.

The overview of the contents of the agreement for Limitation of Liability is as follows:

- If a director (excluding executive director, etc.), by neglecting his / her duty, causes damage to the company, each director (excluding executive director, etc.) shall be liable to pay damages up to the minimum liability amount in accordance with Article 425, Paragraph 1 of the Companies Act, as long as such director has carried out his / her duty in good faith and there is no gross negligence on the part of such director.
5. The company concludes liability insurance contract for officers with the insurance company. This insurance contract will compensate litigation costs and damages responsible by the insured director, when the insured director of the company receives a claim for damages due to his / her business execution. If the candidates for director through No. 1 to No. 15 becomes a director, he / she will become an insured person of the insurance contract and the insurance contract will be renewed with the same contents during the term of office.
 6. Companies that have relationships with the Company (excluding 100% subsidiaries) and at which candidates for the position of director serve in representative positions are as follows:
 - Candidate No.1 Mr. Hiroshi Narita is a Owner of Yakult Kyudan Co., Ltd. which engages in transaction for real estate (land and building) leasing and advertisement in baseball stadium, etc. with the Company.
 - Candidate No.11 Mr. Manabu Naito is President of Yakult Mito Sales Co., Ltd., which engage in merchandise sales transactions with the Company on an equal basis with other sales companies.
 7. Six Candidates No.6 Mr. Ryuji Yasuda, No.7 Ms. Naoko Tobe, No.8 Mr. Katsuyoshi Shinbo, No.9 Ms. Yumiko Nagasawa, No.10 Mr. Satoshi Akutsu and No.15 Mr. Matthew Digby are candidates of independent director in accordance with the provisions set by Tokyo Stock Exchange.
 8. The Number of Company Shares Owned by the candidates for directors include the shares they hold under shareholding plans.

Proposal 2: Determination of Remuneration for Granting Restricted Stock to Directors (Outside Directors and Excluding Part-time Directors)

The total amount of remuneration payable to the Company's Directors was approved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008 as up to 1,000 million yen a year (not including salaries and bonuses payable as employees to the Directors who also work as the Company's employees).

Aside from the above remuneration limit, the Company hereby proposes to provide remuneration for the purpose of granting restricted shares to the Company's Directors (excluding Outside Directors and Part-time Directors; hereinafter, the "Eligible Directors") to give them an incentive to work on the sustained growth of the Company's corporate value and to facilitate the further sharing of values with the Company's shareholders.

The Company proposes that the remuneration payable to the Eligible Directors to grant them restricted shares under this proposal shall be a remuneration receivable and its amount shall be up to 300 million yen a year (not including salaries and bonuses payable as employees to the Directors who also work as the Company's employees). The allotment of restricted shares to the Eligible Directors shall be determined based on their responsibilities and other factors.

The paid-in amount for restricted shares shall be determined by the Company's Board of Directors based on the closing price of the Company's common shares at the Tokyo Stock Exchange as of the business day immediately preceding the day on which the Company's Board of Directors makes a resolution on their issuance or disposal (or the closing price of the trading date immediately preceding the said date, if no trading was made on the said date), and the Board must ensure that the said amount is not especially advantageous to the Eligible Directors who will subscribe to the said restricted shares.

The specific timing of delivery and distribution to each Eligible Director shall also be determined by the Board of Directors based on advice from the Nomination and Compensation Advisory Committee.

If Proposal 1 is approved as proposed, the number of Directors will be fifteen. Excluding six Outside Directors and one Part-time Director, the number of the Eligible Directors will be eight.

The details concerning the restricted shares to be allotted to the Eligible Directors are as follows.

1. Matters concerning payment for the issuance of restricted shares

The Eligible Directors shall, in principle in each business year, provide the Company with all the remuneration receivables to be paid under a resolution of the Company's Board of Directors as assets contributed in kind to have the Company issue or dispose of its common shares.

2. Number of restricted shares allotted to the Eligible Directors

The maximum number of common shares the Company is permitted to issue or dispose of for the Eligible Directors under this scheme shall be capped at 75,000 shares a year. If, however, any stock split or reverse stock split of the Company's common shares (including gratis allocation of the Company's common shares) takes effect after the date on which this General Meeting of Shareholders makes a resolution, reasonable adjustments may be made, as needed, to the above maximum number, on or after the said date on which such stock split or reverse stock split takes effect.

Note that the paid-in amount per share of a common stock the Company issues or disposes of for the Eligible Directors under this scheme will be determined by the Board of Directors based on the closing price of the Company's common shares at the Tokyo Stock Exchange as of the business day immediately preceding the day on which the Company's Board of Directors resolves the details of the offering of the said common shares (or the closing price of the closest trading date preceding the said date, if no trading was made on the said date), and the Board must ensure that the said

amount is not especially advantageous to the Eligible Directors.

3. Matters concerning restricted shares to be allotted to the Eligible Directors

The Company and the Eligible Directors shall enter into an allotment agreement of restricted shares (hereinafter, the “Allotment Agreement”) with the following contents (common shares allotted under the Allotment Agreement shall be hereinafter called the “Allotted Shares”).

(1) Period of transfer restriction

The Eligible Directors shall not assign, create any security right on, gift before death, or otherwise dispose of the Allotted Shares (hereinafter, the “Transfer Restrictions”) from the delivery date of the Allotted Shares until the day on which the Eligible Directors resign or retire as the Company’s Director or any other status determined by the Company’s Board of Directors (hereinafter, the “Transfer Restriction Period”).

(2) Conditions to remove the Transfer Restrictions

On the condition that an Eligible Director has continued serving as the Company’s Director or other position designated by the Company’s Board of Directors during the period pre-determined by the Company’s Board of Directors (hereinafter, the “Service Provision Period”), the Transfer Restrictions shall be removed for all the Allotted Shares at the time the Transfer Restriction Period expires. If, however, an Eligible Director resigns or retires for a legitimate reason or resigns or retires due to their death during the Service Provision Period, reasonable adjustments shall be made, as needed, to the number of the Allotted Shares for which the Transfer Restrictions are removed and to the timing of the removal of the Transfer Restrictions.

(3) Events for gratis acquisition

If, during the Transfer Restriction Period, an Eligible Director resigns or retires without a legitimate reason, the Company shall naturally acquire the Allotted Shares at no charge. In addition, if there is any Allotted Shares whose Transfer Restrictions have not been removed at the time of the removal of the Transfer Restrictions stipulated in (2) above, the Company shall naturally acquire such shares at no charge.

(4) Treatment of organizational restructuring and so on

Notwithstanding the provisions of (1) above, the Company shall make reasonable adjustments to the number of the Allotted Shares for which the Transfer Restrictions are to be removed and the timing of the removal of the Transfer Restrictions by making a resolution at the Board of Directors, if, during the Transfer Restriction Period, the Company’s General Meeting of Shareholders (or its Board of Directors, if an approval of the Company’s General Meeting of Shareholders is not required) approves a merger agreement in which the Company will become a disappearing company, a share exchange agreement or share transfer plan in which the Company will become a wholly owned subsidiary, or other matters related to organizational restructuring and so on. In this case, if there is any Allotted Shares whose Transfer Restrictions have not been removed immediately after the removal of the Transfer Restrictions, the Company shall naturally acquire such shares at no charge.

(5) Other matters

Any other matters related to the Allotment Agreement shall be determined by the Company’s Board of Directors.

4. Reason the allotment of restricted shares is reasonable

The Company established a determination policy for the details of remuneration and so on of individual Directors at the Board of Directors meeting held on January 29, 2021 and revised this determination policy at the Board of Directors meeting held on February 10, 2023. An outline of the revised policy is stated in [Reference] below. The granting of restricted shares under this Proposal is in line with this policy.

In addition, we consider that the granting of restricted shares is reasonable because the total number of common shares the Company is permitted to issue or dispose of for the Eligible Directors is capped at 75,000 shares a year and the dilution rate of the total number of outstanding shares issued is insignificant at around 0.04 percent.

The shares allotted to the Eligible Directors under this scheme will be managed in dedicated accounts to be opened by the Eligible Directors at a securities company selected by the Company so that no transfer, creation of security rights, gifting before death, or other means of disposal can take place during the Transfer Restriction Period.

(For Your Information)

If this Proposal is approved, the Company plans to introduce this scheme in the same contents as above for the Company's Executive Officers who do not work as the Company's Directors.

[Reference] Outline of Determination Policy of the Details of Remuneration and so on of Individual Directors (if this Proposal is approved)

The Company's remuneration system shall consist of the following to ensure the realization of Shirota-ism, which is the cornerstone of the Company's business, and the establishment of a remuneration system that demands management to take greater responsibility for the Company's performance and to further share values with shareholders.

<Fixed remuneration, performance-linked remuneration (short-term incentive (monies)), stock-based remuneration (long-term incentive (shares))>

1. Eligible Recipients

(1) Fixed remuneration

All Directors

(2) Performance-linked remuneration

Directors in office as at the end of the relevant business year (excluding Outside Directors and Part-time Directors)

(3) Stock-based remuneration

Directors in office at the time of payment (excluding Outside Directors and Part-time Directors)

2. Determination policy of calculation methods of each type of remuneration

(1) Fixed remuneration

To be basically determined within the maximum amount, comprehensively considering each Director's duties, business results in the relevant business year, salary levels of employees, social conditions, and other internal and external environment

(2) Performance-linked remuneration

As the indicators to calculate performance-linked remuneration, the Company uses "consolidated operating profit" which is the most suitable measure to gauge performance, and the "number of bottles of

dairy products sold (on a consolidated basis),” which works as a barometer to assess the Company’s progress in achieving Shirota-ism, which is the cornerstone of our business. In addition, the fluctuation range of the performance-linked portion shall be between 0 and 150 percent.

Specifically, year-on-year changes of the above two indicators are used to calculate a coefficient for remuneration payment, and the performance-linked remuneration base amount to be determined according to the duties of each Director and the said coefficient are used to calculate the amount of performance-linked remuneration.

No performance-linked remuneration shall be paid if consolidated operating profit in the relevant year falls below 70 percent of the previous year’s consolidated operating profit.

(3) Stock-based remuneration

The Company provides remuneration to grant to the Eligible Directors restricted shares according to their duties for the purpose of providing them with an incentive to work on the sustained growth of the Company’s corporate value and facilitating the further sharing of values with shareholders.

The Eligible Directors shall, in principle in each business year, provide the Company with all the remuneration receivables to be paid under a resolution of the Company’s Board of Directors as assets contributed in kind to have the Company issue or dispose of its common shares. The Transfer Restriction Period shall start on the delivery date of restricted shares and ends on the day the Eligible Directors resign as the Company’s Directors. The paid-in amount per share of common shares the Company issues or disposes of as stock-based remuneration of restricted shares will be determined by the Board of Directors based on the closing price of the Company’s common shares at the Tokyo Stock Exchange as of the business day immediately preceding the day on which the Company’s Board of Directors makes the relevant resolution (or the closing price of the closest trading date preceding the said date, if no trading was made on the said date), and the Board must ensure that the said amount is not especially advantageous to the Eligible Directors.

The Company may naturally acquire all or part of the restricted shares allotted to an Eligible Director at no charge if the said Director breaches laws or regulations or otherwise falls under events stipulated by the Company’s Board of Directors during the Transfer Restriction Period.

3. Ratios of different types of remuneration

Remuneration shall be composed based on the following ratios to provide appropriate incentives.

(1) Fixed remuneration: (2) Performance-linked remuneration: (3) Stock-based remuneration = 70:15:15 (%)

*Outside Directors and Part-time Directors only receive (1) Fixed remuneration.

4. Policy on the payment timing of remuneration and determination of conditions

(1) Fixed remuneration: Paid monthly

(2) Performance-linked remuneration: Paid as one-off payment after the end of a business year for which calculation is made because it is an incentive payment for the performance results of the previous business year

(3) Stock-based remuneration: Being an incentive payment to improve the Company’s corporate value in future, paid for the number of terms served as a Director after an appointment as a Director at the General Meeting of Shareholders

*The maximum total amount of (1) fixed remuneration and (2) performance-linked remuneration is capped at 1,000 million yen a year as determined at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008.

*The maximum total amount of stock-based remuneration and the maximum total number of shares granted are capped at 300 million yen a year and 75,000 shares a year, respectively, as determined at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023.

The Board of Directors shall resolve these policies, calculation methods of remuneration, remuneration to individual Directors, and other relevant matters, following deliberations at the Nomination and Compensation Advisory Committee which consists of a majority of independent outside directors. The Board of Directors shall delegate to the said Committee the determination of the amounts of (1) fixed remuneration and (2) performance-linked remuneration for individual Directors.

Proposal 3: Revision of Remuneration Amount for Audit & Supervisory Board Members

The total amount of remuneration payable to the Company's Audit & Supervisory Board Members was approved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008 as up to 120 million yen a year and this figure has remained in effect to date. Considering the increasing roles and responsibilities required of Audit & Supervisory Board Members to strengthen corporate governance, the Company proposes to raise the total maximum amount of remuneration for Audit & Supervisory Board Members to up to 200 million yen a year.

The number of current Audit & Supervisory Board Members is five.