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(Securities code: 9075)

June 1, 2023

To our shareholders:

Shigehiro Komaru  
Director and President  
**FUKUYAMA TRANSPORTING CO., LTD.**  
20-1, 4-chome, Higashi Fukatsu-cho, Fukuyama City,  
Hiroshima Prefecture

## NOTICE OF THE 75TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 75th Ordinary General Meeting of Shareholders of FUKUYAMA TRANSPORTING CO., LTD. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the following websites to view the information.

<https://corp.fukutsu.co.jp/ir/stock/general-meeting.html> (in Japanese)

<https://d.sokai.jp/9075/teiji/> (in Japanese)

In addition to posting items subject to measures for electronic provision on each of the websites above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, access the TSE website (Listed Company Search) by using the following internet address, enter the issue name (company name) or securities code, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

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

You may exercise your voting rights via the Internet or by postal mail instead of attending the meeting in person. After reviewing the attached Reference Documents for the General Meeting of Shareholders, review “Guidance on Exercising Voting Rights via the Internet” (Japanese only) and indicate your approval or disapproval of the proposals on the Company’s voting rights exercise website (<https://evote.tr.mufg.jp/>) (in Japanese). Otherwise, please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail. In either case, please exercise your voting rights by no later than 5:00 p.m., Thursday, June 22, 2023 (Japan Standard Time).

1. Date and Time: Friday, June 23, 2023 at 10:00 a.m. (Japan Standard Time)
2. Venue: 5F Conference Room, Head Office of the Company  
20-1, 4-chome, Higashi Fukatsu-cho, Fukuyama City, Hiroshima Prefecture

### 3. Purposes:

#### Items to be reported:

1. Business Report and Consolidated Financial Statements for the 75th 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 & Supervisory Board
2. Non-Consolidated Financial Statements for the 75th Term (from April 1, 2022 to March 31, 2023)

#### Items to be resolved:

- Proposal 1:** Election of Nine (9) Directors
- Proposal 2:** Election of One (1) Audit & Supervisory Board Member
- Proposal 3:** Treasury Share Disposal Through Third-Party Allotment to Support the Public Interest Activities of the Public Interest Incorporated Foundation Komaru Transportation Foundation
- Proposal 4:** Continuation of Countermeasures to Large-Scale Purchase of the Company’s Shares (Takeover Defense Measures)

## Proposals and References

### Proposal 1: Election of Nine (9) Directors

The terms of all nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders.

With the aim of achieving more flexible decision-making by the Board of Directors in response to changes in the business environment, the Company therefore proposes that nine (9) Directors be elected, including five (5) Outside Directors.

The selection of the candidates for the Board of Directors will be determined by the Board of Directors after deliberation and reports by the Nomination and Compensation Advisory Committee, which is composed of a majority of independent Outside Directors with wealth of experience and extensive knowledge.

The candidates for Director are as follows:

No.	Name	Current position and responsibilities in the Company	
1	Shigehiro Komaru	Representative Director, President, Executive Officer and Member, Nomination and Compensation Advisory Committee	[Reelection]
2	Hiroyuki Kumano	Representative Director, Executive Vice President, and Executive Officer, and General Manager of Sales Section	[Reelection]
3	Eiju Nagahara	Director and Senior Executive Officer, and General Manager of 2024 Reform Promotion Section	[Reelection]
4	Shinji Fujita	Director and Managing Executive Officer, and Responsible for Transport Operations and General Manager of Safety Division	[Reelection]
5	Miho Maeda	Director and Member, Nomination and Compensation Advisory Committee	[Reelection] [Outside] [Independent]
6	Tomoko Nonaka	Director	[Reelection] [Outside] [Independent]
7	Kazumitsu Tomimura	Director and Chairperson, Independent Committee	[Reelection] [Outside] [Independent]
8	Toyoei Shigeeda	Director and Chairperson, Nomination and Compensation Advisory Committee	[Reelection] [Outside] [Independent]
9	Takushi Ohmoto	Director and Member, Nomination and Compensation Advisory Committee	[Reelection] [Outside] [Independent]

[Reelection] Candidate for reelection as Director

[Outside] Candidate for Outside Director

[Independent] Candidate for Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc.

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
1	Shigehiro Komaru (April 16, 1950)  [Reelection]  Attendance of Board of Directors Meetings 8/8	Oct. 1974    Joined the Company June 1991    Managing Director of the Company June 1993    Senior Managing Director of the Company June 1995    Representative Director of the Company (present position) June 1997    Director and President of the Company (present position) Apr. 2011    President and Executive Officer of the Company (present position) Sep. 2021    Member of the Nomination and Compensation Advisory Committee of the Company (present position) [Significant concurrent positions outside the Company] President, Shibuya Scholarship Foundation	334,239
	[Reasons for nomination as candidate for Director] In his role as Representative Director and President, the candidate has led the management of the Company and furthered the enhancement of corporate value and the strengthening of the business base. Having determined that through his leadership, which is based on his extensive knowledge and wealth of experience, he can establish an even stronger management structure for the Group and enhance and strengthen corporate governance, the Company requests his reelection.		
2	Hiroyuki Kumano (April 23, 1970)  [Reelection]  Attendance of Board of Directors Meetings 8/8	Mar. 2005    Joined the Company June 2007    Director and Manager of Sales Division of the Company June 2009    Managing Director of the Company Responsible for Sales and Information Systems Mar. 2010    Representative Director and Executive Vice President of the Company (present position) General Manager of Sales Section (present position) Apr. 2011    Executive Vice President and Executive Officer of the Company (present position) [Significant concurrent positions outside the Company] None	47,264
	[Reasons for nomination as candidate for Director] The candidate has a wealth of experience and expertise in the field of company management, and having determined that his work as Director in charge of the Sales Section contributes to sustained growth and a further enhancement of corporate value in the Group, the Company requests his reelection.		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
3	Eiju Nagahara (October 22, 1948)  [Reelection]  Attendance of Board of Directors Meetings 8/8	Apr. 1971      Joined the Company	38,614
		Dec. 2004      Manager of Operations Management Division of the Company	
		June 2007      Director of the Company General Manager of Safety Division	
		June 2009      Managing Director of the Company Responsible for Operations Management	
		June 2010      Senior Managing Director of the Company	
		Apr. 2011      Director and Senior Executive Officer of the Company (present position)	
		Oct. 2014      Responsible for Transport Operations of the Company	
		June 2022      General Manager of 2024 Reform Promotion Section of the Company (present position)	
		[Significant concurrent positions outside the Company] None	
[Reasons for nomination as candidate for Director] The candidate has a wealth of experience and expertise in main line transport, and having determined that his work as Director in charge of the sections for transport and safety contributes to sustained growth and a further enhancement of corporate value in the Group, the Company requests his reelection.			
4	Shinji Fujita (September 19, 1958)  [Reelection]  Attendance of Board of Directors Meetings 7/7 (Since assuming the office on June 21, 2022)	Apr. 1981      Joined the Company	10,846
		Sep. 2003      General Manager of Saitama Main Branch of the Company	
		July 2004      General Manager of Tokyo Main Branch of the Company	
		Dec. 2005      Deputy Assistant of Operations Management Division of the Company	
		Nov. 2011      Chief of Operations Management Department of Tokyo Main Branch of the Company (Kanto Region)	
		Mar. 2013      Audit & Supervisory Board Member's Office of the Company	
		May. 2017      General Manager of Audit & Supervisory Board Member's Office of the Company	
		June 2017      Audit & Supervisory Board Member of the Company	
		June 2018      Managing Executive Officer of the Company Responsible for Operations Management	
		June 2022      Director and Managing Executive Officer of the Company (present position) Responsible for Transport Operations General Manager of Safety Division (present position)	
		[Significant concurrent positions outside the Company] None	
[Reasons for nomination as candidate for Director] The candidate has a wealth of on-the-ground experience from his many years of experience in the department managing main line transport as well as vast knowledge of safety. Having determined that he is capable of contributing to further enhance the corporate value and sustainable growth of the Group as a Director, the Company requests his reelection.			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
5	<p style="text-align: center;">Miho Maeda (September 17, 1948)</p> <p style="text-align: center;">[Reelection] [Outside] [Independent]</p> <p style="text-align: center;">Attendance of Board of Directors Meetings 8/8</p>	<p>Apr. 1990 Deputy Director of Women's Policy Division, Women's Bureau of the Ministry of Labor (presently Ministry of Health, Labour and Welfare)</p> <p>Apr. 1992 Deputy Director of Overseas Cooperation Division, Human Resource Development Bureau of the Ministry of Labor</p> <p>Apr. 1995 Central Labor Standards Inspector Supervisor, Inspection Division, Labor Standards Bureau of the Ministry of Labor</p> <p>Apr. 1998 Director, Inspection Division of Hokkaido Labor Standards Bureau (presently Hokkaido Labour Bureau)</p> <p>Apr. 2000 General Manager, Labour Standard Department of Hyogo Labour Bureau</p> <p>June 2002 Director-General of Shiga Labour Bureau</p> <p>July 2004 Retired as Director-General of Shiga Labour Bureau</p> <p>Aug. 2004 General Manager, Small to Medium Enterprise Division of Japan Industrial Safety and Health Association</p> <p>Apr. 2007 Assistant General Manager, Human Resources Development Dept. of Japan International Training Cooperation Organization (presently Japan International Trainee &amp; Skilled Worker Cooperation Organization)</p> <p>May 2012 Executive Director of International Human Resource Incorporated (present position)</p> <p>June 2018 Director of the Company (present position)</p> <p>Sep. 2021 Member of the Nomination and Compensation Advisory Committee of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Executive Director of International Human Resource Incorporated</p>	285
<p>Reasons for nomination as candidate for Outside Director and overview of expected roles, etc. Apart from her appointment as an outside officer, the candidate has no experience participating in company management. However, the candidate has a wealth of experience and expertise related to the fields of working conditions and occupational health and safety, serving as a member of the Nomination and Compensation Advisory Committee of the Company. In the expectation that she will continue to give valuable advice, mostly from the viewpoint of compliance, the Company requests her reelection as Outside Director. Further, the term of office as an Outside Director will reach five (5) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if her reappointment is approved, the Company plans to renew her appointment as Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
6	Tomoko Nonaka (June 3, 1956)  [Reelection] [Outside] [Independent]  Attendance of Board of Directors Meetings 8/8	Apr. 1993 Legal Training and Research Institute, Supreme Court of Japan Apr. 1995 Attorney-at-law of Kawabata Law Office Apr. 1999 Attorney-at-law of Tokyo Ginza Law Office Feb. 2018 Attorney-at-law of Nonaka & Kawarabayashi Law Office (present position) June 2019 Director of the Company (present position) [Significant concurrent positions outside the Company] Attorney-at-law of Nonaka & Kawarabayashi Law Office	229
	<p>Reasons for nomination as candidate for Outside Director and overview of expected roles, etc.  Apart from her appointment as an outside officer, the candidate has no experience participating in company management. However, the Company expects that because she has a wealth of knowledge as an attorney-at-law and a high-level of knowledge, with the experience of having served in the public sector as practicing-attorney-professor for civil advocacy at the Legal Training and Research Institute, Supreme Court of Japan, she can continue to provide valuable advice on strengthening the corporate governance of the Company. Accordingly, the Company requests her reelection for Outside Director. The term of office as an Outside Director will reach four (4) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if her reappointment is approved, the Company plans to renew her appointment as Independent Officer.</p>		
7	Kazumitsu Tomimura (March 23, 1940)  [Reelection] [Outside] [Independent]  Attendance of Board of Directors Meetings 7/8	Apr. 1967 Appointed as a Public Prosecutor Aug. 1995 Public Prosecutor of Supreme Public Prosecutors Office Jan. 1996 Chief Prosecutor of Matsue District Public Prosecutors Office Apr. 1997 Chief Prosecutor of Tsu District Public Prosecutors Office July 1998 Chief Prosecutor of Kyoto District Public Prosecutors Office Sep. 1999 Retired from office Oct. 1999 Registered as attorney-at-law Apr. 2003 Vice-Chairperson, Disciplinary Enforcement Committee, Hiroshima Bar Association Committee Member, Disciplinary Enforcement Committee, Japan Federation of Bar Associations Apr. 2005 Chairperson, Disciplinary Enforcement Committee, Hiroshima Bar Association Feb. 2011 Assistant Director, Hiroshima Branch, Asia Crime Prevention Foundation (present position) June 2011 Chairperson, Independent Committee of the Company (present position) June 2020 Director of the Company (present position) [Significant concurrent positions outside the Company] Attorney-at-law of Tomimura & Hayashiya Law Office	164
	<p>Reasons for nomination as candidate for Outside Director and overview of expected roles, etc.  Apart from his appointment as an outside officer, the candidate has no experience participating in company management. However, as an attorney-at-law with many years of experience in Public Prosecutor Offices, he has extensive knowledge and expertise in corporate legal affairs. Also, he has been Chairperson of the Independent Committee of the Company. In the expectation that he can continue to provide pertinent advice on the implementation of the compliance management, etc., the Company requests his reelection as Outside Director. The term of office as an Outside Director will reach three (3) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if his reappointment is approved, the Company plans to renew his appointment as Independent Officer.</p>		

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
8	<p style="text-align: center;">Toyoei Shigeeda (August 1, 1952)</p> <p style="text-align: center;">[Reelection] [Outside] [Independent]</p> <p style="text-align: center;">Attendance of Board of Directors Meetings 8/8</p>	<p>Apr. 1981      Joined the Ministry of Foreign Affairs</p> <p>Apr. 1997      Director-General, Minister's Secretariat Inspection Division and Function Management Division of the Ministry of Foreign Affairs</p> <p>July 1999      Vice-Minister for International Affairs in charge of Environmental Affairs of the Ministry of International Trade and Industry</p> <p>July 2001      Director, Passport Division, Consular Affairs Bureau of the Ministry of Foreign Affairs</p> <p>Apr. 2004      Minister Counselor, Permanent Mission of Japan to the International Organizations in Vienna</p> <p>Aug. 2007      Senior Executive Director for International Relations, Osaka Prefectural Government</p> <p>Aug. 2009      Consul General of Japan in Frankfurt, Germany</p> <p>Oct. 2012      Consul General of Japan in Honolulu, USA</p> <p>July 2015      Ambassador Extraordinary and Plenipotentiary of Japan to Republic of Lithuania</p> <p>Sep. 2018      Retired from office</p> <p>Apr. 2019      Specially Appointed Lecturer of Nippon Sport Science University (present position)</p> <p>June 2020      Director of the Company (present position)</p> <p>Sep. 2021      Chairperson of the Nomination and Compensation Advisory Committee of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] None</p>	164
<p>Reasons for nomination as candidate for Outside Director and overview of expected roles, etc. Apart from his appointment as an outside officer, the candidate has no experience participating in company management. However, the candidate has a wealth of experience and global expertise related to the field of international affairs, etc., serving as the chairperson of the Nomination and Compensation Advisory Committee of the Company. In the expectation that he will continue to give valuable advice mostly from the viewpoint of compliance, the Company requests his reelection as Outside Director. The term of office as an Outside Director will reach three (3) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if his reappointment is approved, the Company plans to renew his appointment as Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities [Significant concurrent positions outside the Company]	Number of the Company's shares owned
9	<p style="text-align: center;">Takushi Ohmoto (June 26, 1953)</p> <p style="text-align: center;">[Reelection] [Outside] [Independent]</p> <p style="text-align: center;">Attendance of Board of Directors Meetings 8/8</p>	<p>Apr. 1972      Joined Hiroshima Regional Taxation Bureau</p> <p>July 2007      District Director of Saijo Tax Office</p> <p>July 2008      Director of Corporation Taxation Division, Taxation Department 2, Hiroshima Regional Taxation Bureau</p> <p>July 2009      Director of Personnel Division 1, General Affairs Department, Hiroshima Regional Taxation Bureau</p> <p>July 2011      District Director of Matsue Tax Office</p> <p>July 2012      Deputy Director General of Taxation Department 2, Hiroshima Regional Taxation Bureau</p> <p>July 2013      Regional Commissioner, Large Enterprise Examination and Criminal Investigation Department, Hiroshima Regional Taxation Bureau</p> <p>July 2014      Retired from office</p> <p>Aug. 2014      Registered as a certified tax accountant Head of Takushi Ohmoto Tax Accountant Office (present position)</p> <p>June 2020      Director of the Company (present position)</p> <p>Sep. 2021      Member of the Nomination and Compensation Advisory Committee of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Head of Takushi Ohmoto Tax Accountant Office</p>	164
<p>Reasons for nomination as candidate for Outside Director and overview of expected roles, etc. Apart from his appointment as an outside officer, the candidate has no experience participating in company management. However, the candidate has expertise in corporate accounting and taxation as a certified tax accountant, serving as a member of the Nomination and Compensation Advisory Committee of the Company. In the expectation that he will continue to provide pertinent advice for implementing compliance on corporate management, etc., going forward, the Company requests his reelection as Outside Director. The term of office as an Outside Director will reach three (3) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if his reappointment is approved, the Company plans to renew his appointment as Independent Officer.</p>			

- Notes:
1. Candidate for Director Shigehiro Komaru serves concurrently as President of the Shibuya Scholarship Foundation. This corporation holds 5,580,000 shares of the Company's stock.  
There is no special interest between the Company and any other candidates for Director.
  2. The five (5) candidates Miho Maeda, Tomoko Nonaka, Kazumitsu Tomimura, Toyoei Shigeeda, and Takushi Ohmoto are candidates for Outside Director.
  3. The Company's Articles of Incorporation stipulate that, pursuant to the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company can conclude contracts with its Directors (excluding Executive Directors, etc.) to limit their liability stated in Article 423, Paragraph 1 of the same Act. In accordance with this provision, the Company has concluded limited liability agreements with Miho Maeda, Tomoko Nonaka, Kazumitsu Tomimura, Toyoei Shigeeda, and Takushi Ohmoto, and the limit on the amount of liability coverage under these contracts is the minimum amount stipulated by laws and regulations. Moreover, if Miho Maeda, Tomoko Nonaka, Kazumitsu Tomimura, Toyoei Shigeeda, and Takushi Ohmoto, are reappointed, the Company plans on retaining this contract with each of them.
  4. The Company has entered into a directors and officers liability insurance policy pursuant to Article 430-3 paragraph 1 with an insurance company. The policy covers compensation for damages and lawsuit expenses incurred by the insured when they are subject to claims for damages arising from their actions (including inactions) in accordance with their position as directors or officers, etc. of the Company and the Company's subsidiaries. If the respective elections of the candidates for Director are approved and they assume office, each shall be insured under this contract.  
In addition, the Company plans to renew the policy with the same terms at the next renewal.



<Reference>

Skill Matrix of Board of Directors at the conclusion of the General Meeting of Shareholders (Planned)

The skill matrix of the Board of Directors, if the candidates for Director listed in Proposal 1 are elected as proposed, will be as follows.

	[Inside] / [Outside]	Name	Nomination and Compensa- tion Advisory Committee	Gender Diversity	Corporate Management	Environment & Energy	International Human Resources	Corporate Governance	Risk Management Compliance & Legal Affairs	Work Environment & Human Resources Develop- ment	IT & Digital	Government	Finance & Accounting
Director	[Inside]	Shigehiro Komaru	●		●		●	●			●	●	
	[Inside]	Hiroyuki Kumano			●			●			●		
	[Inside]	Eiju Nagahara				●			●	●		●	
	[Inside]	Shinji Fujita				●			●	●		●	
	[Outside]	Miho Maeda	●	●			●		●	●		●	
	[Outside]	Tomoko Nonaka		●				●	●	●			
	[Outside]	Kazumitsu Tomimura						●	●			●	
	[Outside]	Toyoei Shigeeda	●			●	●					●	
	[Outside]	Takushi Ohmoto	●						●			●	●

**Proposal 2:** Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Nobuhiko Sasaki will expire at the conclusion of this General Meeting of Shareholders.

The Company therefore proposes that one (1) Audit & Supervisory Board Member be elected.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position [Significant concurrent positions outside the Company]	Number of the Company's shares owned
<p>Masatoshi Yamazaki (August 25, 1955)</p> <p>[New election] [Outside] [Independent]</p> <p>Attendance of Board of Directors Meetings</p> <p>—</p> <p>—</p>	Apr. 1986 Security Operations Division of Security Bureau of National Police Agency	—
	Sep. 2000 General Manager of Security Division of Okinawa Prefectural Police Headquarters	
	July 2002 Senior Specialist for Nuclear Emergency Preparedness of the Nuclear and Industrial Safety Agency of the Ministry of Economy, Trade and Industry	
	Aug. 2004 General Manager of Secretarial Office of Commissioner General of National Policy Agency	
	Sep. 2007 Senior Security Instruction Specialist of Security Bureau of National Police Agency	
	July 2008 General Manager of Escort Office of Security Bureau of National Police Agency	
	Mar. 2011 General Manager of Police Affairs Department, Hiroshima Prefectural Police Headquarters; and General Manager of Hiroshima City Police Division	
	Feb. 2013 Superintendent General of Tottori Prefectural Police Headquarters	
	Mar. 2015 General Manager of Security Police Training Division of National Police Academy of National Police Agency	
	Mar. 2016 Retired from office	
	July 2016 Deputy General Manager of Tokyo Headquarters of West Japan Railway Company	
<p>Oct. 2019 Representative Director and President of Japan Secret Service Co., Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Representative Director and President of Japan Secret Service Co., Ltd.</p>		

[Reasons for nomination as candidate for Outside Audit & Supervisory Board Member]

The Company requests the election of the candidate as Outside Audit & Supervisory Board Member so that his wealth of experience and extensive knowledge in the security business can be applied to the enhancement of the Company's management oversight functions. Further, since the candidate meets the requirements for Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., if his election is approved, the Company plans to appoint him as Independent Officer.

- Notes:
1. Candidate for Audit & Supervisory Board Member Masatoshi Yamazaki, serves concurrently as the Representative Director and President of Japan Secret Service Co., Ltd. The Company pays security fees to Japan Secret Service Co., Ltd., but the amount of such payment is less than 1% of consolidated net sales of the Company.
  2. Masatoshi Yamazaki is a new candidate for Outside Audit & Supervisory Board Member.
  3. The Company's Articles of Incorporation stipulate that, pursuant to the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company can conclude contracts with its Audit & Supervisory Board Members to limit their liability stated in Article 423, Paragraph 1 of the same Act. In accordance with the provisions in the Articles of Incorporation, if Masatoshi Yamazaki is elected, the Company plans to enter into such a contract with him.  
The limit on the amount of liability coverage under these contracts is the minimum amount stipulated by laws and regulations.
  4. The Company has entered into a directors and officers liability insurance policy pursuant to Article 430-3 paragraph 1 with an insurance company. The policy covers compensation for damages and lawsuit expenses incurred by the insured when they are subject to claims for damages arising from their actions (including inactions) in accordance with their position as directors or officers, etc. of the Company and the Company's subsidiaries. If the election of the candidate for Audit & Supervisory Board Member is approved and the candidate assumes office, the candidate shall be insured under this contract.  
In addition, the Company plans to renew the policy with the same terms at the next renewal.

**Proposal 3:** Treasury Share Disposal Through Third-Party Allotment to Support the Public Interest Activities of the Public Interest Incorporated Foundation Komaru Transportation Foundation

1. Purpose and reason for the disposition of treasury shares

The Company's management philosophy is to "continue to pioneer the frontier of logistics with our tireless creativity and ingenuity as a comprehensive logistics company, working together with our customers to contribute to the improvement of culture, the creation of affluent lifestyles, and economic development." We not only want to fulfill our mission as a logistics company, but also to be a company that supports the realization of a sustainable society. Based on this management philosophy, our 5th Medium-Term Management Plan, which began in FY2021, establishes basic policies based on the Sustainable Development Goals (SDGs), which are goals that the world should achieve by 2030 as determined by the United Nations. In order to contribute to the creation of a safe, secure and prosperous society, the Company has supported the activities of not only the public interest incorporated foundation Komaru Transportation Foundation (the "Foundation"), but also other foundations and organizations that provide scholarships to students and assistance, etc. for children who have not been attending school.

The Foundation was established in 2013 with the aim of contributing to the realization of safe and secure local communities free from traffic accidents and was designated as a public interest incorporated foundation by the Cabinet Office in 2015. The Foundation holds traffic safety classes (mainly at elementary schools throughout Japan), conducts public relations activities to raise awareness of the dangers of nighttime traffic and of intersections where traffic accidents frequently occur, manufactures traffic safety products such as reflective materials and portable LED lights, holds Japanese speech contests overseas on the theme of traffic safety and engages in other activities to promote the safety and efficient flow of traffic, and plans to further expand and enhance these activities in the future. In addition to these activities, the Foundation is also considering the implementation of new public interest activities that will contribute to the realization of safe and secure local communities free from traffic accidents.

Support and assistance for the Foundation falls under SDGs 4 "Quality Education" and 11 "Sustainable Cities and Communities," and is consistent with the Company's management philosophy of "cooperate with all diverse people and realize a rich and vibrant society by providing safe and secure logistics services," as well as contributing to the Company's promotion of the SDGs. In addition, given the great social significance of the Foundation's activities, we believe that supporting its activities will contribute to the Company's sustainable growth and increase its corporate value from a medium- to long-term perspective, such as by enhancing the value of our brand as a company that contributes to the realization of safe and secure local communities free from traffic accidents, and contributes to the improvement of culture, the creation of affluent lifestyles, and economic development. Furthermore, from the perspective of efforts tailored to public interest activities, the Company has decided not to engage in such activities itself, but instead to support the public interest activities of the Foundation. The purpose of the disposal of treasury shares through a third-party allotment to the Foundation (the "Treasury Share Disposal") is to provide funds for the Foundation's public interest activities. In order to achieve sustainable growth and increase the Company's corporate value from a medium- to long-term perspective, it is necessary to further expand and enhance the aforementioned public interest activities of the Foundation and develop new public interest activities that will contribute to the realization of safe and secure local communities free from traffic accidents. In addition to donations and membership fee income from supporting members of the Foundation, which are the current sources of funds for the Foundation, we believe that using dividends from the Company's shares as a source of funds will stabilize the Foundation's financial position and enable it to expand and enhance its public interest activities. Although we considered the possibility of using donations from the Company, etc., to support the Foundation's activities, we believe that it is desirable to use dividends, which are paid on a regular and consistent basis, as the source of funds for the public interest activities of the Foundation. We believe that the Foundation's continuous and consistent public interest activities will enhance our Company's brand value and other aspects of our Company's sustainable growth and corporate value from a medium- to long-term perspective, which we believe is in the best interest of all of our shareholders.

2. Rationality of disposition conditions, etc.

The Foundation plans to continue to conduct public interest activities such as holding traffic safety classes for elementary, junior high and high school students nationwide, holding traffic safety seminars for the elderly and companies, conducting traffic safety awareness activities to prevent traffic accidents, and conducting overseas

exchange activities on the theme of traffic safety, using dividends from the Company's shares as a source of funds for its activities. In addition, the Foundation is also considering the implementation of new public interest activities that will contribute to the realization of safe and secure local communities free from traffic accidents. We believe that support for such public interest activities will contribute to the Company's sustainable growth and further enhance our corporate value from a medium- to long-term perspective.

The Foundation assumes that it will need ¥150 million annually in the future to ensure sufficient funding is available for the continuous and stable implementation of projects to promote safety and the efficient flow of traffic. In light of the Company's dividend policy, we have determined to allocate 2,000,000 shares through the Treasury Share Disposal as that is the number of shares that will provide sufficient dividend income to fund the Foundation's activities. We believe that the volume of shares to be disposed of is reasonable. In addition, regarding contributions to the Foundation, we believe that the impact of the Treasury Share Disposal on the secondary market will be negligible, as it is unlikely that the shares from this disposal will be traded in the stock market in the foreseeable future.

Also, the Company considers returning profits to shareholders to be one of its highest management priorities and takes this into account when making decisions concerning transactions in treasury shares. The Company believes that the Treasury Share Disposal will contribute to the sustainable growth of the Company and further enhancement of its corporate value from a medium- to long-term perspective, as mentioned above, and will result in the return of profits to shareholders. In addition, from the perspective of returning profits to shareholders, the Company also flexibly acquires treasury shares in response to changes in the corporate environment (in 2021, the Company repurchased 8,364,706 shares, equivalent to 15.00% of the total number of shares issued at that time (55,770,363 shares)). Therefore, we believe that the dilution of the Company's shares caused by the size of the Treasury Share Disposal, which is equivalent to 3.94% of the total number of the Company's outstanding shares (50,770,363 shares) (4.93% of the total number of voting rights (405,493 rights)), will be mitigated to a reasonable extent when the Company's transactions in treasury shares are considered in their entirety.

As described above, the purpose of the Treasury Share Disposal is to support the aforementioned public interest activities of the Foundation, and the Company believes that the disposal price of ¥1 per share is reasonable, and thus proposes that the determination of subscription requirements and the determination of unconfirmed matters related to the disposal of treasury shares through a third-party allotment be delegated to the Board of Directors of the Company, pursuant to the provisions of Article 199 and Article 200 of the Companies Act.

< Details of the Treasury Share Disposal >

(1) Class and number of shares subject to disposal	2,000,000 shares of common stock of the Company
(2) Disposal price	¥1 per share
(3) Amount of financing	¥2,000,000
(4) Disposal method	Disposition by way of third-party allotment
(5) Planned allottee	Public interest incorporated foundation Komaru Transportation Foundation
(6) Disposal date	TBD
(7) Delegation of determination	All matters other than those set forth above that are necessary for determining the subscription requirements for the Treasury Share Disposal shall be determined by resolution of the Board of Directors of the Company.

< Overview of the planned allottee (the Foundation) >

i. Name	Public interest incorporated foundation Komaru Transportation Foundation
ii. Address	20-1, 4-chome, Higashi Fukatsu-cho, Fukuyama City, Hiroshima Prefecture
iii. Name and title of representative	Shigehiro Komaru, President
iv. Activities details	(i) Traffic safety awareness projects (ii) Traffic facilitation support projects (iii) Promotion and sales of traffic safety goods, etc. (iv) Other projects necessary to achieve the objectives of the Foundation
v. Source of funds for activities	Approx. ¥57 million per year (actual result for fiscal year ended March 31, 2023)
vi. Date of foundation	September 9, 2013 (Designated a public interest incorporated foundation on July 1, 2015)

**Proposal 4:** Continuation of Countermeasures to Large-Scale Purchase of the Company's Shares (Takeover Defense Measures)

Fukuyama Transporting Co., Ltd. (the "**Company**") continued "Countermeasures to Large-Scale Purchase of the Company's Shares" (the "**Current Plan**") after receiving approval by the shareholders at the Ordinary General Meeting of the Company held on June 24, 2020.

Since the term of the Current Plan ends upon the adjournment of the Ordinary General Meeting of the Company to be held on June 23, 2023 (the "**2023 AGM**"), the Company has been giving consideration to the Current Plan as to how it should be as well as whether or not it should be kept, in the light of maintaining and enhancing the corporate value and shareholders' common interest. Considering changes in conditions and trends among institutional investors, etc., the Board of Directors of the Company resolved on May 15, 2023 on the continuation of "Countermeasures to Large-Scale Purchase of the Company's Shares" (the countermeasures after the continuation are referred to as the "**Plan**" hereafter), subject to approval of the shareholders at the 2023 AGM, so this agenda item is being submitted as a matter to be resolved.

All five Audit & Supervisory Board Members of the Company, including three Outside Audit & Supervisory Board Members, attended the Board of Directors' Meeting at which the Plan was resolved, and expressed opinions to the effect that the Plan is deemed to be reasonable as countermeasures to a large-scale purchase of the Company's shares, provided the specific administration of the Plan is conducted appropriately.

In the case where the Plan is approved at the 2023 AGM, the term of the Plan will be until the adjournment of the Ordinary General Meeting of the Company to be held in June 2026.

In addition, in continuing the Plan, the Company has made some revisions, such as revising some wording and changing the contents of the following sections, but there is essentially no change in the contents of the Plan.

2. (3) Initiatives Based on Management Strategy
2. (4) Strengthening Corporate Governance

## **1. Basic Policy on Suitable Persons Who Control the Decisions on the Financial and Business Policies of the Company**

The Company, as a listed company on financial stock exchanges, respects the freedom of transactions of the Company's shares on the market, and would not necessarily reject a large-scale purchase of the Company's shares by a particular person as long as the purchase contributes to the maintenance and enhancement of the corporate value and the common interest of the shareholders of the Company and its group companies. The Company also believes that the ultimate decision on how to respond to an offer of a large-scale purchase of the Company's shares should be left to the shareholders.

Offers of a large-scale purchase, however, sometimes may not retain good relationships with stakeholders or may otherwise harm the corporate value of the Company and its group companies or the shareholders' common interest, or do not sufficiently reflect the value of the Company and its group companies, or may not provide sufficient information necessary for the shareholders to make the final decisions on the offer.

In responding to such a large-scale purchase offer, the Board of Directors of the Company is prepared to discharge its entrusted duty to the shareholders by securing the time and information necessary for shareholders, by negotiating for the shareholders with the offeror of a large-scale purchase of the Company's shares, etc.

## **2. Special Measures that Contribute to Achieving the Basic Policy**

### **(1) Corporate Philosophy**

The Company is engaged in business activities with the corporate philosophy of "pioneering the frontiers of distribution with tireless innovation and ingenuity to contribute to the elevation of culture and creation of a rich life and to the development of local economies as a comprehensive distribution company." This corporate philosophy demonstrates the Company's stance that distribution is important infrastructure for the people's livelihood, and that by providing the service of distribution as an enterprise in that field the Company not only increases corporate value, but also positively fulfills social responsibility in order to secure sustainable development as a company that is loved and respected by society as a good corporate citizen.

### **(2) Source of Corporate Value**

The Company believes that realizing the satisfaction of customers, employees, shareholders, local communities and all other stakeholders is the source of the corporate value. To further increase this corporate value, the Company is positively advancing enhancement of the transportation network, expansion and improvement of distribution facilities and other sales development, strengthening and enrichment of corporate governance, as well as environmental conservation and social contribution activities. The Company also believes that, in addition to these activities, continuing business operation through the labor-management cooperation that has been fostered ever since the Company was founded contributes to realizing the corporate philosophy and improving performance as a company that is trusted and chosen by all stakeholders as a good corporate citizen.

The Company believes that continuing and developing these sources of corporate value into the future contributes to maintaining and enhancing corporate value and the common interest of shareholders.

### **(3) Initiatives Based on Management Strategy**

The Company has compiled the fifth medium-term management plan "Challenge, Change 2023" which has fiscal year 2021 as the first year, and is implementing initiatives toward achieving management goals.

By achieving sustainable growth under this medium-term management plan, the Company will continue the basic policy of striving to enhance corporate value as set forth under the previous medium-term management plan, deepen ESG + ES, which adds ES (employee satisfaction) that serves as the basis of labor-management cooperation that has been fostered ever since the Company was founded and is the source of corporate value to ESG (environment, social, and governance), further enhance corporate value, and contribute to the achievement of SDGs.

In the light of past achievements under our previous medium-term management plans, the Company will continue to promote ESG management, strive to increase the satisfaction of all stakeholders in meeting their expectations, and continue to provide services with even greater safety and security.

#### (4) Strengthening Corporate Governance

In implementing the various measures above, the Company recognizes that strengthening corporate governance is extremely important, and strives to establish an efficient and highly transparent management structure. As part of those efforts, the management decision-making function and the business execution function have been separated, and in order to strengthen the structure by expediting management decision-making and business execution and clarifying responsibility in the Company and its group companies, the Company introduced a corporate officer system from April 1, 2011. Since June 21, 2022, the Board of Directors has been comprised of nine Directors, including five Outside Directors, and works to improve and enhance efficient management. Furthermore, to make the management responsibility of Directors to the Company's shareholders and other stakeholders clear, the term of office of Directors is set at one year, and the Outside Directors with abundant experience in various fields, outstanding insight, and highly specialized knowledge provide the Company with effective advice, etc. and contribute to strengthening the supervision of the Board of Directors from diverse viewpoints. In addition, the Company's Audit & Supervisory Board is comprised of five members including three highly independent Outside Audit & Supervisory Board Members, and the Company has arranged a system whereby the Audit & Supervisory Board Members can always supervise the conditions of the execution of business by the Board of Directors by attending meetings of the Board of Directors. The Company will continue working to further improve and strengthen corporate governance aiming at quickly responsive and efficient management.

### 3. Basic Approach of the Plan

The Company's Board of Directors decided to continue the Plan to clarify rules that must be followed by persons who attempt a large-scale purchase of the shares of the Company, and to secure necessary and sufficient information and time for shareholders to make appropriate judgments and opportunities to negotiate with persons who attempt a large-scale purchase of the shares of the Company. With the goal of maintaining and enhancing the Company's corporate value and the common interest of its shareholders, the Plan stipulates specific countermeasures in accordance with the contents of the Plan stipulated in and after 4., and by making the contents of the Plan known through timely disclosure on financial stock exchanges, disclosure in the Company's business reports and other legal disclosure documents, and posting on the Company's web site, etc., the Company gives prior warning that there are procedures that must be followed by persons who attempt a large-scale purchase of the shares of the Company and that the Company may implement an allotment of share options without contribution with the following exercise conditions and acquisition provisions.

- (1) The exercise condition that the exercise of rights by the purchaser, etc. is not permitted.
- (2) The acquisition provision of acquiring share options in exchange for shares from a person other than the purchaser, etc.

The Plan secures transparency by having an independent committee (the "Independent Committee") comprised only of persons independent of the Company's management and consisting of (1) the Company's Outside Directors, (2) the Company's Outside Audit & Supervisory Board Members, and (3) outside experts (experienced corporate management persons, lawyers, certified public accountants, persons with relevant knowledge and experience, etc.) make decisions pursuant to the Independent Committee Rules (refer to Attachment 1 for an outline) and by disclosing information to the shareholders and investors in a timely manner, so as to avoid arbitrary decisions that might be made by the Company's Board of Directors. The members of the Independent Committee are to be the three persons listed in Attachment 2.

Major shareholders of the Company as of March 31, 2023 are shown in Attachment 4 "Company's Shares held by Major Shareholders." The Company confirms that at present the Company has not received any offers for large-scale purchase of the shares of the Company.



#### 4. Contents of the Plan (Measures to Prevent Control over Determination of the Company's Financial and Business Policies by Persons Not Suitable in Light of the Basic Policy)

##### (1) Procedures Pertaining to the Activation of the Plan

###### (i) Subject Purchases, etc.

The Plan shall be applicable in cases where large-scale purchases of the Company's shares that fall under A or B below or similar conducts ("Purchases, etc.") are implemented. Any person who makes or proposes such purchases ("Purchaser, etc.") is requested to follow the procedures provided beforehand by the Plan.

- A. Concerning shares, etc.<sup>1</sup> issued by the Company, purchases that would make the ownership ratio of the shares, etc.<sup>2</sup> of a holder<sup>3</sup> become 20 percent or more of the shares, etc. issued by the Company.
- B. Concerning shares, etc.<sup>4</sup> issued by the Company, tender offers<sup>5</sup> that would make the total of the ownership ratio<sup>6</sup> of the shares, etc. pertaining to the tender offer and the ownership ratio of the shares, etc. of specially related parties<sup>7</sup> thereto become 20 percent or more.

###### (ii) Requests to the Purchaser, etc. to Submit Information

Except as otherwise stipulated by the Company's Board of Directors, the Purchaser, etc., is requested, before the Purchaser, etc. conducts the Purchase, etc., to submit a statement of intent in the Japanese language in the form designated by the Company to the Board of Directors of the Company with the Purchaser, etc.'s name, address, governing law under which incorporated, representative's name, contact in Japan, and outline of the proposed Purchase, etc. and in which the Purchaser, etc. states a pledge to follow the procedures provided in the Plan, etc. Within 10 business days of receiving said Statement of Intent, the Company's Board of Directors will deliver a list of the necessary and sufficient information required for the Company's shareholders and investors to make decisions and for the Company's Board of Directors to form opinions ("Essential Information") to said Purchaser, etc. ("Initial Information List"). Said Purchaser, etc. who has received delivery of the Initial Information List will provide the Essential Information to the Company's Board of Directors in a written form in the Japanese language.

In cases where the information provided by the Purchaser, etc. is, in light of the details and manner of the Purchase, etc., reasonably judged by the Board of Directors of the Company as not sufficient for the shareholders and investors to make decisions and for assessment and examination to be made by the Independent Committee, the Board of Directors may request the Purchaser, etc. to provide additional information. In this case, the Purchaser, etc. shall additionally provide said information in a written form in the Japanese language.

The Board of Directors may set a deadline for the reply from the Purchaser, etc. as necessary to ensure that the Plan is operated appropriately and promptly. The Company shall also set the maximum length of the period in which the Board of Directors of the Company requests that the purchaser, etc. provide information and the purchaser, etc. submits the reply ("Information Provision Period") to be 60 days from the day immediately following the date on which the Initial Information List was sent. If the

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<sup>1</sup> Meaning "Share Certificates, etc." stipulated by Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act; the same hereinafter unless otherwise stipulated.

<sup>2</sup> Meaning "Ownership Ratio of Share Certificates, etc." stipulated in Article 27-23, paragraph 4 of the Financial Instruments and Exchange Act; the same hereinafter.

<sup>3</sup> Including persons included in holders based on Article 27-23, paragraph 3 of the Financial Instruments and Exchange Act.

<sup>4</sup> Meaning "Share Certificates, etc." stipulated in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same in B below.

<sup>5</sup> Defined in Article 27-2, paragraph 6 of the Financial Instruments and Exchange Act; the same hereinafter.

<sup>6</sup> Meaning "Ownership Ratio of Share Certificates, etc." stipulated in Article 27-2, paragraph 8 of the Financial Instruments and Exchange Act; the same hereinafter.

<sup>7</sup> Meaning "Specially Related Party" defined in Article 27-2, paragraph 7 of the Financial Instruments and Exchange Act (including persons recognized by the Company's Board of Directors to correspond to these persons). However, regarding the persons listed in item (i) of the same paragraph, excluding persons stipulated in Article 3, paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Persons other than the Issuer; the same hereinafter.

Information Provision Period has reached the maximum length, communication with the purchaser, etc. with regard to the provision of information shall be terminated at that point regardless of whether sufficient information has been submitted, and the assessment and examination by the Independent Committee shall commence with the information that has been submitted by that point (see (iii) (B) below).

Regardless of the contents and manner of the Purchase, etc., information concerning each of the following items shall be included as part of the Initial Information List.

- A. Details (including full name, equity capital structure, business contents, and financial status) of the Purchaser etc. and the group of the Purchaser, etc. (including co-holders<sup>8</sup>, specially related parties, and [in the case of a fund] each of the members or other constituents)
- B. Purpose, method, and contents of the Purchase, etc. (including type and value of consideration for the Purchase, etc., time for the Purchase, etc., related transaction structure, legality of the method of the Purchase, etc., and likelihood of executing the Purchase, etc.)
- C. Grounds for the calculation of the price of the Purchase, etc. (including the base facts before calculation, calculation formula, figures used for the calculation, contents of synergy projected to emerge from the chain of transactions initiated by the Purchase, etc., and contents of synergy to be distributed to minority shareholders thereof)
- D. Funding arrangement for the Purchase, etc. (including the full name of the funds providers [including substantial providers], the arrangement to obtain the funds, and the contents of related transactions)
- E. Whether or not the Purchaser, etc. communicates with a third party in the large-scale purchase, etc. and if so, the contents of the communications and an outline of said third party.
- F. Management policy, business plan, equity capital policy, and dividend policy of the Company and its group companies after the Purchase, etc.
- G. Policy on how to treat the Company's employees, labor unions, transaction partners, customers, local communities, and other stakeholders after the Purchase, etc.
- H. In cases where conflicts of interest with other shareholders of the Company emerge, specific policy to avoid them
- I. Other information that is deemed rationally necessary by the Independent Committee

When the Independent Committee recognizes that a Purchaser, etc. has initiated a Purchase, etc. without following the procedures stipulated in the Plan, except for cases where there are exceptional circumstances whereby consultations and negotiations with the Purchaser, etc. should be conducted in order to continue to request submission of the Essential Information, in principle, as started in (iv) A below, the Independent Committee shall recommend to the Company's Board of Directors to implement an allotment of share options ("Share Options") without contribution ("Allotment of Share Options without Contribution") outlined in (3) below.

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<sup>8</sup> Meaning "co-owner" stipulated in Article 27-23, paragraph 5 of the Financial Instruments and Exchange Act. Including persons recognized by the Company's Board of Directors to be viewed as co-owners based on paragraph 6 of the same Article; the same hereinafter.

(iii) Examination of the Contents of Purchases, etc., Negotiations with Purchasers, etc., and Consideration of Alternative Proposals

A. Request to the Company's Board of Directors for Provision of Information

In cases where the Essential Information is submitted from a Purchaser, etc., the Independent Committee may also request the Company's Board of Directors to promptly present, within a reasonable period stipulated by the Independent Committee (not to exceed 30 days, in principle), an opinion regarding the contents of the Purchase, etc. by the Purchaser, etc. (including an opinion to hold off on making a decision; the same hereinafter), documents that form the basis for that opinion, alternative proposals, and other information and materials, etc. recognized as suitable and necessary by the Independent Committee.

B. Examination Work by the Independent Committee

In cases where the Independent Committee recognizes that the provision of information and materials, etc. from the Purchaser, etc. and (in cases where the presentation of information and materials, etc. from the Company's Board of Directors is requested as stated above) from the Company's Board of Directors (including those requested additionally) is satisfactory, the Independent Committee is to notify the Purchaser, etc. to that effect ("**Notice of Satisfactory Information**") and promptly make disclosure to that effect.

The Information Provision Period shall expire on the earlier of the day on which the Notice of Satisfactory Information is given by the Board of Directors of the Company and the day on which the Information Provision Period has reached the maximum length.

After issuing the Notice of Satisfactory Information, the Independent Committee is to set and promptly disclose an assessment period not exceeding 60 days in the case of a tender offer for all of the shares, etc. of the Company for consideration in cash (in Japanese yen) only or of a maximum of 90 days in the case of other Purchases, etc. counting from the day immediately following the day on which the Information Provision Period has expired ("**Assessment Period for the Independent Committee**") (however, pursuant to the provisions of (iv) C below, the Independent Committee may extend said period by resolution).

During the Assessment Period for the Independent Committee, the Independent Committee shall, based on the information and materials, etc. provided by the Purchaser, etc. and the Company's Board of Directors, from the viewpoint of securing and increasing the Company's corporate value and the common interest of the shareholders, examine the contents of the Purchase, etc. by the Purchaser, etc., examine alternative proposals from the Company's Board of Directors, and collect, compare and examine information concerning the business plans of the Purchaser, etc. and of the Company's Board of Directors.

In cases where, during the Assessment Period for the Independent Committee, the Independent Committee requests, via the Company's Board of Directors, the provision of examination materials and other information, consultations, negotiations, etc., the Purchaser, etc. must promptly respond to said request, and cannot initiate Purchases, etc. until the end of the Assessment Period for the Independent Committee.

To ensure that the decision of the Independent Committee contributes to the Company's corporate value and the common interest of shareholders, the Independent Committee may, among others, secure the advice of independent third parties (financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense.

C. Disclosure of Information to Shareholders and Stakeholders

The Independent Committee shall, itself or through the Company's Board of Directors, promptly disclose the fact that the Purchaser, etc. has made a proposal to Purchase, etc., and an outline thereof. In addition, the Independent Committee shall make disclosure regarding those matters the Independent Committee deems appropriate among the outline of the Essential Information and other conditions at the time the Independent Committee deems they are appropriate.

(iv) Decision-Making Methods of the Independent Committee

In cases where any conduct of a Purchaser, etc. falls under any of the following, the Independent Committee shall make recommendations to the Company's Board of Directors in accordance with the following procedures. In cases where the Independent Committee makes recommendations or a resolution to the Company's Board of Directors stipulated in A or C below, or cases the Independent Committee otherwise deems appropriate, the Independent Committee shall promptly disclose information itself or through the Company's Board of Directors regarding the facts of said recommendation or resolution and its outline and other matters deemed appropriate by the Independent Committee (in cases where a resolution is made to the effect of extending the Assessment Period for the Independent Committee pursuant to C below, including that fact, and an outline of the reasons for the extension).

A. Cases where the Purchaser, etc. Does Not Follow the Procedures Prescribed in the Plan

In cases where the Purchaser, etc. does not follow the procedures prescribed in (ii) and (iii) above, in principle, the Independent Committee shall recommend to the Company's Board of Directors to implement an Allotment of Share Options without Contribution, regardless of whether or not the Assessment Period for the Independent Committee has begun or ended.

B. Cases where the Purchaser, etc. Follows the Procedures Prescribed in the Plan.

In cases where the Purchaser, etc. follows the procedures prescribed in (ii) and (iii) above, in principle, the Independent Committee shall recommend to the Company's Board of Directors not to implement an Allotment of Share Options without Contribution, regardless of whether or not the Assessment Period for the Independent Committee has ended.

However, even in cases where the Purchaser, etc. follows the procedures prescribed in (ii) and (iii) above, when, as a result of the examinations of the contents of the Purchase, etc. by the Purchaser, etc. and the consultations and negotiations with the Purchaser, etc., it is recognized that the Purchase, etc. by the Purchaser, etc. falls under any of the requirements stipulated in (2) below, and that it causes harm to the corporate value and common interest of the shareholders of the Company and its group companies, and it is judged that implementation of the Allotment of Share Options without Contribution is reasonable, the Independent Committee may recommend to the Company's Board of Directors to implement the Allotment of Share Options without Contribution as an exceptional measure, regardless of whether or not the Assessment Period for the Independent Committee has ended. The Independent Committee may attach a reservation to its recommendation of the implementation of the Allotment of Share Options without Contribution that the shareholders' intent should be confirmed in advance.

C. Cases where the Independent Committee Extends the Assessment Period for the Independent Committee

In cases where the Independent Committee does not come to make a recommendation to implement or not to implement the Allotment of Share Options without Contribution by the time the initial Assessment Period for the Independent Committee ends, the Independent Committee shall make a resolution to extend the Assessment Period for the Independent Committee within the range rationally necessary for examination of the contents of the Purchase by said Purchaser, etc., consultations and negotiations with said Purchaser, etc., examination of alternative proposals, etc. (The Assessment Period for the Independent Committee may only be extended once, and for a term not to exceed 30 days).

In cases where the Assessment Period for the Independent Committee is extended by the above resolution for extension, the Independent Committee shall continue to collect information and conduct examinations, etc., and make the greatest effort to make a recommendation to implement or not to implement the Allotment of Share Options without Contribution, or present alternative proposals, within the extension period.

(v) Resolution of the Board of Directors and Confirmation of the Shareholders' Intent

The Company's Board of Directors, upon receiving the above-stated recommendation made by the Independent Committee, shall give the best consideration to this and promptly make a final resolution, as an organ under the Companies Act, to implement or not to implement the Allotment of Share Options without Contribution.

When the Independent Committee has attached a reservation to its recommendation of the implementation of the Allotment of Share Options without Contribution that the shareholders' intent on the implementation should be confirmed in advance, the Board of Directors of the Company shall convene a General Meeting to confirm the shareholders' intent ("**General Meeting to Confirm the Shareholders' Intent**") as soon as practically possible to submit a proposal on the implementation of the Allotment of Share Options without Contribution to the General Meeting unless it is extremely difficult to hold such a General Meeting. The General Meeting to Confirm the Shareholder's Intent may be held simultaneously with an Ordinary or Extraordinary General Meeting. The Assessment Period for the Independent Committee shall expire immediately upon the decision of the Board of Directors of the Company to hold a General Meeting to Confirm the Shareholders' Intent. The Board of Directors of the Company shall respect the resolution of the General Meeting to Confirm the Shareholders' Intent to the maximum extent and pass a resolution whether or not to implement the Allotment of Share Options without Contribution.

In cases where the Company's Board of Directors makes the above-stated Board of Directors resolution, it shall promptly disclose information regarding the outline of said resolution and other matters deemed appropriate by the Company's Board of Directors.

(vi) Suspension of the Allotment of Share Options without Contribution, and Acquisition without Contribution

Even after the Company's Board of Directors resolves to implement an Allotment of Share Options without Contribution pursuant to the procedures in (v) above, in cases where, up until the commencement date of the exercise period of the Share Options, (a) the Purchaser, etc. suspends the large-scale purchase, etc., or (b) changes emerge in facts that were assumptions for the decision on whether or not to implement the Allotment without Contribution, and it becomes deemed inappropriate to maintain countermeasures activated from the perspective of maintaining and enhancing the Company's corporate value and the common interest of shareholders, the Company's Board of Directors may (prior to the effective date of the Allotment of Share Options without Contribution) make a resolution to the effect of suspension of the Allotment of Share Options without Contribution or (after the effective date of the Allotment of Share Options without Contribution) to the effect of acquisition of Share Options without contribution.

In cases where the Company's Board of Directors makes the above-stated resolution, it shall promptly disclose information regarding the outline of said resolution and other matters deemed appropriate by the Company's Board of Directors.

(2) Requirements of the Allotment of Share Options without Contribution

As stated in (1) (iv) above, in cases where the Purchaser, etc. does not follow the procedures stipulated in the Plan, in principle, the Independent Committee shall recommend to implement of the Allotment of Share Options without Contribution, and in cases where the Purchaser, etc. does follow the procedures stipulated in the Plan, in principle, the Independent Committee shall recommend not to implement the Allotment of Share Options without Contribution. Also, as stated in (1) (v) above, the Company's Board of Directors shall make a resolution, as an organ under the Companies Act, regarding whether to implement or not to implement the Allotment of Share Options without Contribution, giving the best consideration to the recommendation of the Independent Committee or the resolution of the General Meeting to Confirm the Shareholders' Intent, if it has been held. On the other hand, even in cases where the Purchaser, etc. follows the procedures stipulated in the Plan, in cases where the Purchase, etc. by the Purchaser, etc. falls under any of the following, is recognized as damaging the corporate value of the Company and its group companies and the common interest of the shareholders, and implementing the Allotment of Share Options without Contribution is

recognized to be reasonable, the Allotment of Share Options without Contribution may be implemented, as an exceptional measure, by resolution of the Company's Board of Directors stated in (1)(v) above. Also, as stated in (1) (iv) above, the judgement on whether or not a Purchase, etc. falls under the following requirements and whether it is reasonable to implement an Allotment of Share Options without Contribution shall be left to the Independent Committee.

- (i) Cases where the Purchases, etc. has a risk of causing clear damage to the Company's corporate value and the common interest of shareholders through the following acts or similar acts
  - A. The act of buying up shares, etc., and requesting the Company to purchase those shares, etc. at a high price
  - B. The act of temporarily controlling the Company's management, acquiring the Company's important assets, etc. at a low price, etc., and otherwise conducting management to realize the interests of the Purchaser, etc. while sacrificing the Company
  - C. The act of diverting the Company's assets as collateral for a loan or underlying assets for repayment of a loan of the Purchaser, etc. or its group companies
  - D. The act of temporarily controlling the Company's management, having the Company dispose of high-priced assets that do not concern the Company's business at present, using those disposal profits to have the Company temporarily pay high dividends, or selling out at a high price aiming at the opportunity of a sudden rise in the share price from the temporarily high dividends.
- (ii) Cases where the Purchase, etc. is a coercive two-tier Purchase, etc. (that is, the exercise of a tender offer or other purchase of shares without soliciting the purchase of all shares in the first-tier purchase while setting disadvantageous conditions for shareholders or not clarifying the conditions for the second-tier purchase) or other Purchase, etc. that has a risk of effectively coercing shareholders to sell shares.

(3) Outline of the Allotment of Share Options without Contribution

The outline of the Allotment of Share Options without Contribution to be implemented based on the Plan is as stated in Attachment 3 "Outline of the Allotment of Share Options without Contribution."

(4) Effective Period, Abolition and Alteration of the Plan

In cases where approval of the Plan is obtained at the 2023 AGM scheduled to be held on June 23, 2023, the Plan shall be effective until the adjournment of the Ordinary General Meeting to be held in June 2026.

However, if a General Meeting of the Company resolves an alteration or abolition of the Plan before the expiration of the effective period, the Plan shall be altered or abolished subsequent to said resolution. In addition, where the Board of Directors consisting of only the Directors appointed by a General Meeting of the Company resolves to abolish the Plan, the Plan shall be abolished at the time.

Also, the Board of Directors of the Company may amend or alter the Plan due to amendment of the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations, or the rules of financial instruments exchanges, or due to change of the interpretation or operation of them, or due to change of taxation system or legal precedent, etc., within the range recognized as rationally necessary, with the approval of the Independent Committee.

In cases where the Plan is abolished or altered, the Company shall disclose the fact that the Plan is abolished or altered, and (in cases where altered) the contents of the alteration and other matters deemed appropriate by the Board of Directors of the Company.

## 5. Rationality of the Plan

### (1) Satisfaction of All of the Requirements Provided by the Guidelines regarding Takeover Defense

The Plan satisfies the three principles (principle of maintenance and enhancement of corporate value and common interest of shareholders, principle of prior disclosure and shareholder decision, and principle of necessity and justifiability) that are provided by the “Guidelines regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholders’ Common Interests” announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. The Plan also takes into consideration the insights presented in “Anti-takeover Measures in the Latest Environment” published by the Corporate Value Study Group on June 30, 2008.

### (2) Continuing Implementation of the Plan to Maintain and Enhance the Common Interest of the Shareholders of the Company

The continuing implementation of the Plan purports to maintain and enhance the corporate value and common interest of the shareholders of the Company by making it possible, when Purchase, etc. of the Company’s shares is attempted, to secure the necessary information and period of time for shareholders to decide whether or not said Purchase, etc. should be accepted, or for the Board of Directors to offer an alternative proposal, or to negotiate with the Purchaser, etc. on behalf of the shareholders.

### (3) Respect of Shareholders’ Opinions

The Plan shall be continued, subject to the approval of the shareholders at the 2023 AGM, and as stated in 4. (4), even after receiving approval at the 2023 AGM, if a General Meeting of the Company resolves an alteration or abolition of the Plan, the Plan shall be altered or abolished subsequent to the resolution. Therefore, the opinion of shareholders of the Company shall be fully respected in the continuation and abolishment of the Plan.

### (4) Respect of the Opinion of Highly Independent Outsiders, and Information Disclosure

In the Plan, to prevent the Board of Directors from making arbitrary decisions, the Company has set up the Independent Committee as an organ that objectively makes substantial decisions for activating and otherwise executing the Plan for the shareholders.

The Independent Committee is independent from the management persons who execute the business of the Company, and comprises three or more members selected from the Company’s Outside Directors, Outside Audit & Supervisory Board Members, and outside experts.

In addition, the Company shall disclose to the shareholders and investors an outline of the decisions of the Independent Committee, as necessary, securing a structure for the transparent operation of the Plan, within the range that contributes to the Company’s corporate value and the common interest of the shareholders.

### (5) Setting Rational and Objective Requirements for Activation of the Plan

As stated in 4. (1)(iv) and 4. (2) above, the Plan is not activated unless rational and objective requirements set beforehand are satisfied, securing a structure to prevent the Board of Directors from making arbitrary activation.

### (6) Obtaining the Opinions of Third Party Experts

As stated in 4. (1) (iii), when a Purchaser, etc. appears, the Independent Committee may obtain the advice of independent third parties (financial advisers, certified public accountants, lawyers, consultants and other experts) at the Company’s expense, securing a structure to strongly ensure fair and objective decisions by the Independent Committee.

(7) No Dead-hand or Slow-hand Measures

As stated in 4. (4) above, the Plan can be abolished anytime by a Board of Directors consisting of Directors appointed by the Company's General Meeting. Therefore, the Plan is not a dead-hand measure (that is, a takeover defense measure whose activation cannot be stopped even if the majority members of the Board of Directors are replaced).

Since the term of office of the Directors of the Company is one year, the Plan is not a slow-hand measure (that is, a takeover defense measure whose activation takes time to stop because all of the Board's members cannot be replaced at once), either.

## 6. Effect on Shareholders and Investors

(1) Effect on Shareholders and Investors by the Continuation of the Plan

At the time of the continuation of the Plan, the Allotment of Share Options without Contribution itself is not conducted, so this does not have any direct, specific effect on the rights and interests of shareholders.

As stated in 4. above, the Company's response policy to said act of purchase differs depending on whether or not the Purchaser, etc. follows the Plan or not, so shareholders and investors are advised to pay attention to the behavior of the Purchaser, etc.

(2) Effect on Shareholders and Investors at the time of the Allotment of Share Options without Consideration

Under the resolution for the Allotment of Share Options without Contribution, the Company's Board of Directors makes an Allotment of Share Options without Contribution to shareholders on the separately stipulated allotment date, at a ratio separately determined by the Company's Board of Directors in the resolution for the Allotment of Share Options without Contribution with a maximum of one Share Option for each share of the Company's stock. Theoretically, if shareholders were not to pay the prescribed exercise value and other cash within the rights exercise period or implement other procedures pertaining to the exercise of the Share Options stated in (3) below, the shares of the Company which they hold would be diluted by the exercise of the Share Options by other shareholders. However, by the procedures stated in (3) below, the Company may acquire the Share Options of shareholders other than the Purchaser, etc. and deliver shares of the Company in exchange. When the Company follows said procedures for acquisition, shareholders other than the Purchaser, etc. receive shares of the Company without exercising the Share Options or paying cash equivalent to the prescribed exercise value, so there is no dilution of the shares of the Company they hold.

Even in cases where the Company's Board of Directors resolves Allotment of Share Options without Contribution, in cases where the Company's Board of Directors makes a resolution for suspension of the Allotment without Contribution or for acquisition without contribution in accordance with the procedures stated in 4. (1) (vi) above, the price of the shares of the Company may change accordingly. For example, after the shareholders who should receive Allotment of Share Options without Contribution are decided, and where the Company suspends the activation of countermeasures and acquires Share Options without Contribution without delivering new shares, the economic value of each share of the Company held by the shareholders would not be diluted. In such case, please be aware that those shareholders and investors who have traded the shares on an assumption that the economic value of each share of the Company would be diluted may incur losses by the fluctuation of the share price.

(3) Shareholder Procedures Accompanying the Allotment of Share Options without Contribution

The shareholders recorded on the final version of the shareholders' register on the allotment date shall automatically become the holders of the Share Options on the effective date of the concerned Allotment of Share Options without Contribution, and therefore need not implement the application procedures, etc.

Also, in principle, the Company will send an invoice for exercise of the Share Options and other documents necessary for the exercise of the Share Options (in a format specified by the Company that includes contents and number of Share Options pertaining to exercise, date of exercise of the Share Options and other necessary



matters, as well as representation and warrantee provisions, indemnification provisions, and other wording of pledges for shareholders themselves to satisfy the Share Options exercise conditions) to the shareholders recorded on the final version of the shareholders' register on the allotment date. After the Allotment of Share Options without Contribution, the shareholders submit these necessary documents within the Share Options exercise period, in principle, so that one share of the Company will be issued per Share Option by payment to the place handling the payment of the amount stipulated by the resolution for Allotment of Share Options without Contribution by the Board of Directors of the Company that is at least one yen per Share Option.

However, in cases where the Company's Board of Directors makes a decision to the effect of acquiring the Share Options, the Company, in accordance with the statutory provisions, may acquire the Share Options on the date separately stipulated by the Company's Board of Directors, and in exchange deliver the Company's shares to the shareholders. In this case, the Company may have the concerned shareholders separately submit representation and warrantee provisions that they are not the Purchaser, etc., indemnification provisions, and other wording of pledges in a format specified by the company in writing.

In addition to the above, the Company shall announce and notify the shareholders of the details of the allotment method, exercise method, and method of acquisition by the Company after the Company's Board of Directors passes a resolution concerning the Allotment of the Share Options without Contribution. Please confirm the concerned contents.

## Attachment 1: Outline of the Independent Committee Rules

1. The Independent Committee shall be established by resolution of the Company's Board of Directors.
2. The Independent Committee shall have three or more members independent from the management of the Company who shall be appointed by the Company's Board of Directors from among persons that fall within the scope of (1) the Company's Outside Directors, (2) the Company's Outside Audit & Supervisory Board Members, or (3) outside experts. The outside experts shall be experienced corporate management persons, former government officials, lawyers, certified public accountants, persons with relevant knowledge and experience or equivalent persons, and persons concluding a contract with the Company that includes provisions of the duty of due care of a prudent manager as separately stipulated by the Company.
3. The term of office of members of the Independent Committee shall be from the date of appointment to the adjournment of the Ordinary General Meeting concerning the final fiscal year that ends within three years from the appointment. However, this shall not apply in cases where the Board of Directors resolves otherwise. In addition, in cases where an Outside Director or Outside Audit & Supervisory Board Member who is a member of the Independent Committee is no longer a Director or Audit & Supervisory Board Member, their term of office as members of the Independent Committee shall also end at that time.
4. The Independent Committee can request the Company's Directors, Audit & Supervisory Board Members, employees, and other persons recognized as necessary to attend, and may seek their opinions and explanations as necessary.
5. The Independent Committee can meet as needed, and its resolutions are made by a majority of members, with all members attending. However, when one or more members are unable to attend because of accident or other unavoidable reason, resolutions are made by a majority of members, with more than half the members attending.
6. The Independent Committee decides on the matters listed in each of the following items, and provides recommendations to the Board of Directors of the Company with the contents of those decisions and the reasoning. The Independent Committee shall make prompt information disclosure itself or through the Board of Directors of the Company regarding the fact that a resolution is made, its outline, and other matters deemed appropriate by the Independent Committee.

In addition, each member of the Independent Committee is required to make decisions, etc. from the standpoint of whether or not they contribute to the Company's corporate value and the common interest of shareholders, and must not act exclusively for purpose of their own interests or the personal interest of the Company's management persons.

- (1) Decisions on the relevance of Purchases, etc. subject to the Plan
- (2) Implementing or not implementing Allotment of Share Options without Contribution pertaining to the exercise of the Plan (including whether or not the shareholders' intent to be confirmed in advance in implementing it)
- (3) Suspension of the Allotment of Share Options without Contribution pertaining to the exercise of the Plan, and Acquisition without Contribution
- (4) Abolition or alteration of the Plan (however, regarding alteration, within the range that does not oppose the Basic Policy of the Plan, also, limited to the range deemed rationally necessary from changes in the Companies Act, Financial Instruments and Exchange Act, and other laws and regulations, or changes in the rules of financial instrument exchanges, or changes in their interpretation or operation, or changes in the taxation system or legal precedent)
- (5) Decisions on information, opinions, alternative proposals, and materials a Purchaser, etc. and the Company's Board of Directors must submit to the Independent Committee, and their response deadlines

- (6) Setting the Assessment Period for the Independent Committee (however, the assessment period is not to exceed 60 days in the case of a tender offer for the shares of the Company in cash [Japanese yen] only and not to exceed 90 days in the case of other acts of large-scale purchases) and extensions of said period (for a period not to exceed 30 days)
  - (7) Among all other matters to be decided by the Company's Board of Directors, those matters on which the Board of Directors consults the Independent Committee
7. In addition to the matters specified in 6., the Independent Committee can conduct the matters stated in each of the following items.
  - (1) Carefully investigating and examining the contents of the Purchase, etc. of a Purchaser, etc.
  - (2) Negotiation and consultation with a Purchaser, etc.
  - (3) Examination of alternative proposals
  - (4) Presentation of alternative proposals to shareholders
  - (5) Other matters that the Independent Committee can conduct under the Plan
  - (6) Other matters that Independent Committee can conduct as separately specified by the Company's Board of Directors
8. The Independent Committee may, among others, receive advice from independent third parties (financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense.

## Attachment 2: Personal Records of the Independent Committee Members

Mr. Kazumitsu Tomimura

Born: March 1940

- April 1967 Appointed as a Public Prosecutor
- Aug. 1995 Public Prosecutor, Supreme Public Prosecutors Office
- Jan. 1996 Chief Prosecutor, Matsue District Public Prosecutors Office
- April 1997 Chief Prosecutor, Tsu District Public Prosecutors Office
- July 1998 Chief Prosecutor, Kyoto District Public Prosecutors Office
- Oct. 1999 Registered as an attorney
- April 2003 Vice-Chairperson, Disciplinary Enforcement Committee, Hiroshima Bar Association  
Committee Member, Disciplinary Enforcement Committee, Japan Federation of Bar Associations
- April 2005 Chairperson, Disciplinary Enforcement Committee, Hiroshima Bar Association
- Feb. 2011 Assistant Director, Hiroshima Branch, Asia Crime Prevention Foundation (current position)
- June 2020 Outside Director, the Company (current position)

\* Mr. Kazumitsu Tomimura is an Outside Director of the Company. The Company has registered him as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange.

Mr. Tokumitsu Murakami

Born: Dec. 1947

- July 1971 Entered the National Police Agency
- Jan. 1991 Chief, Headquarters, Iwate Prefecture Police
- April 1995 Director, General Affairs Division, Imperial Household Agency
- Oct. 1999 Chief, Headquarters, Kanagawa Prefecture Police
- Sept. 2001 Director, International Affairs Department, National Police Agency
- April 2002 President, National Police Academy
- July 2003 Ambassador of Japan to Lebanon
- Feb. 2007 Managing Director, Council for Public Policy
- July 2013 Comptroller, Police Employees Cooperative Association

Mr. Kyoichi Toriyama

Born: May 1958

- April 1986 Full-time Lecturer, School of Law, Waseda University
- April 1988 Assistant Professor, School of Law, Waseda University
- May 1989 Overseas research, Pantheon-Sorbonne University (1989-1992)
- April 1993 Professor, School of Law, Waseda University
- April 2004 Professor, Waseda Law School (current position)

\* The three persons listed above do not have any special interest relations with the Company.

### Attachment 3: Outline of the Allotment of Share Options without Contribution

#### 1. Number of Share Options

The number of share options shall be the number separately stipulated by the Company's Board of Directors in the resolution for the Allotment of Share Options without Contribution ("**Allotment of Share Options without Contribution Resolution**") not to exceed a number equal to the final total number of the Company's shares in issue on the allotment date separately stipulated in the Allotment of Share Options without Contribution Resolution ("**Allotment Date**") (excluding the number of shares of the Company held by the Company at that time).

#### 2. Shareholders Subject to Allotment

The Share Options are to be allotted without contribution to the shareholders other than the Company recorded in the final shareholders' register of the Company on the Allotment Date, at a ratio separately determined by the Company's Board of the Directors in the Allotment of Share Options without Contribution Resolution, with a maximum of one Share Option for each share of the Company they hold.

#### 3. Effective Date of the Allotment of Share Options without Contribution

The effective date of the Allotment of Share Options without Contribution shall be the date separately stipulated by the Company's Board of Directors in the Allotment of Share Options without Contribution Resolution.

#### 4. Type and Number of Shares that are the Object of the Share Options

The type of shares that are the object of the Share Options shall be ordinary shares of the Company, and the number of shares that are the object of each Share Option ("Number of Subject Shares") shall be one share, unless adjusted separately.

#### 5. Value of Assets to be Contributed upon Exercise of Share Options

The object of the contribution upon exercise of Share Options shall be money, and the value of assets contributed per share of the Company upon exercise of Share Options shall be a value not less than one Japanese yen as separately stipulated by the Company's Board of Directors in the Allotment of Share Options without Contribution Resolution.

#### 6. Share Options Exercise Period

The Share Options exercise period shall be a period from the effective date of the Allotment of Share Options without Contribution or a date separately stipulated by the Company's Board of Directors in the Allotment of Share Options without Contribution Resolution until a day within the range of one month to two months separately stipulated by the Company's Board of Directors in the Allotment of Share Options without Contribution Resolution. However, in cases of acquisition of the Share Options by the Company based on 9. below, the exercise period for the Share Options pertaining to said acquisition shall be until the business day one day prior to said acquisition day. In addition, in cases where the final day of the exercise period is a non-business day at the place handling the payment for the exercise, the final day of the exercise period shall be the next business day.

7. Conditions for Exercise of Share Options

In principle, the persons listed below cannot exercise the Share Options

- (1) Specified large-scale holder<sup>9</sup>
- (2) Co-holder of a specified large-scale holder
- (3) Specified large-scale purchaser<sup>10</sup>
- (4) Specially related party of a specified large-scale purchaser
- (5) Person transferred or assigned Share Options from a person corresponding to (1) through (4) above, without approval of the Company's Board of Directors
- (6) Person related to a person<sup>11</sup> stated in (1) through (5) above (hereafter, persons corresponding to (1) through (6) are collectively referred to as **"Specified Purchaser, etc."**)

8. Transfer of the Share Options

Acquisition by transfer of Share Options requires approval of the Company's Board of Directors.

9. Acquisition of Share Options by the Company

On the day separately stipulated by the Company's Board of Directors, the Company may acquire Share Options held by persons other than a Specified Purchaser, etc. and in exchange deliver the number of subject shares per share option of the Company's ordinary shares. When the Company acquires Share Options from a Specified Purchaser, etc., it shall not deliver any money or other economic benefits to the Specified Purchaser, etc. as consideration.

The details of the conditions for acquisition of Share Options shall be separately stipulated in the Allotment of Share Options without Contribution Resolution.

10. Acquisition without Contribution in cases where Activation of Countermeasures is Suspended, etc.

In cases where activation of countermeasures is suspended by the Company's Board of Directors and other cases separately stipulated by the Company's Board of Directors in the Allotment of Share Options without Contribution Resolution, the Company can acquire all of the Share Options without contribution.

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<sup>9</sup> Meaning holders of shares, etc. issued by the Company who are persons recognized by the Company's Board of Directors as those whose ownership ratio becomes 20% of the concerned shares, etc.

<sup>10</sup> Meaning a person who has made public notice of the intention to conduct the Purchase, etc. (stipulated in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same hereinafter in this footnote) of Shares, etc. (meaning "Share Certificates, etc." stipulated in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same hereinafter in this footnote) issued by the Company by tender offer whose ownership ratio of Shares, etc. after said purchase is recognized by the Board of Directors of the Company to be 20% or more together with the ownership ratios of Shares, etc. of specially related parties of that person (including cases equivalent thereto set forth in Article 7, paragraph 1 of the Ordinance for Enforcement of the Financial Instruments and Exchange Act).

<sup>11</sup> Meaning a person with effective control over that person, or who is controlled by that person, or who is controlled together with that person by some other person. "Control" means "cases of control over the decisions of the financial and business policies" of another company, etc. (defined in Article 3, paragraph 3 of the Ordinance for Enforcement of the Companies Act).

#### Attachment 4: Company's Shares Held by Major Shareholders

Major Shareholders of the Company (as of March 31, 2023)

Name of Shareholder	Capital Contribution to the Company	
	Shares Held (thousand)	Ratio (%)
Shibuya Scholarship Foundation	5,587	13.76
Custody Bank of Japan, Ltd. (Trust A/C 4)	2,874	7.08
Master Trust Bank of Japan, Ltd. (Trust A/C)	2,675	6.59
Nippon Life Insurance Company	2,020	4.97
Hiroshima Bank, Ltd.	1,762	4.34
Custody Bank of Japan, Ltd. (Trust A/C)	1,414	3.48
Fukuyama Transporting Welfare Association	1,335	3.29
Fukuyama Transporting Employees' Shareholding Association	1,118	2.75
Sompo Japan Insurance Inc.	1,017	2.50
Fukuyama Transporting Business Partners' Shareholding Association	931	2.29

- (Notes)
1. The number of shares less than one thousand in number is rounded down.
  2. The Company holds 10,149 thousand shares as Treasury Stocks. They are omitted on the list above.
  3. Ratio shows percentages with an omission of the Treasury Stocks from the shares in issue of the Company.