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Securities Code: 9068

June 9, 2023

To our shareholders:

Hirotsugu Okada, President  
**Maruzen Showa Unyu Co., Ltd.**  
2-15 Minami-nakadori, Naka-ku, Yokohama

## **Notice of the 121st Annual General Meeting of Shareholders**

You are cordially invited to the 121st Annual General Meeting of Shareholders of Maruzen Showa Unyu Co., Ltd. (the “Company”), which will be held as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the website by using the Internet address shown below to review the information.

The Company’s website:

(<https://www.maruzenshowa.co.jp/ir/stock/?tab=1>) (in Japanese)

In addition to posting items subject to measures for electronic provision on the Company’s website, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE).

TSE website (Listed Company Search):

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

Access the TSE website by using the Internet address shown above, enter issue name (Maruzen Showa Unyu) or securities code (9068), and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

Instead of attending the meeting in person, you may exercise your voting rights either in writing or via the Internet and other means. Please take your time to review the Reference Documents for the General Meeting of Shareholders shown below, and if you are exercising your voting rights by post mail, indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form sent with this notice and return the form to us so that it arrives no later than 5:45 p.m. on Wednesday, June 28, 2023 (JST). If you are exercising your voting rights via the Internet, etc., please access the website designated by the Company for exercising voting rights (<https://evote.tr.mufg.jp>) (in Japanese) and exercise your voting rights by 5:45 p.m. on Wednesday, June 28, 2023 (JST).

- 1. Date and Time:** Thursday, June 29, 2023, at 10:00 a.m. (JST)  
**2. Venue:** Kannai Arai Hall  
11th Floor, Kannai Arai Building, 1-8 Onoe-cho, Naka-ku, Yokohama

**3. Purpose of the Meeting**

**Items to be reported:**

1. Business Report, Consolidated Financial Statements for the 121st fiscal year (from April 1, 2022 to March 31, 2023), and report on the results of the audit of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. Non-consolidated Financial Statements for the 121st fiscal year (from April 1, 2022 to March 31, 2023)

**Items to be resolved:**

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 3** Continuation of Policy for Responding to a Large-scale Purchase of the Company's Shares, Etc. (Takeover Defense Measures)

- When you attend the meeting in person, please submit the Voting Rights Exercise Form sent with this notice to the receptionist at the meeting.
- "System to Ensure the Appropriateness of Business Activities and the Status of Operation Thereof" and "Basic Policy Regarding Control of the Company" in the Business Report, "Notes to Consolidated Financial Statements" and "Notes to Non-consolidated Financial Statements," which are among the items subject to measures for electronic provision, are not included in the paper-based documents to be delivered to shareholders who requested the delivery of such documents in accordance with applicable laws and regulations and the provisions of Article 17 of the Company's Articles of Incorporation. Accordingly, the paper-based documents to be delivered to shareholders who requested the delivery of such documents are part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit and Supervisory Committee Members in preparing the Audit Report and by the Financial Auditor in preparing the Financial Audit Report.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the aforementioned Company's website and the TSE website.

At this Annual General Meeting of Shareholders, measures will be taken to prevent infections in accordance with the situation as of the date of the meeting. Shareholders attending this Annual General Meeting of Shareholders are requested to be aware of the spread of infections and their own physical condition as of the date of the meeting, and to come to the meeting with due attention to infection prevention measures.

- \* Please note that, this year also, we will not be offering souvenirs to shareholders attending the General Meeting of Shareholders. Your understanding is highly appreciated.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

We consider the return of profit to our shareholders to be one of our most important management issues, and while adhering to our principle of maintaining stable dividends over the long term, we would like to make the following year-end dividend and other appropriation of surplus, taking into consideration the need for strengthening our corporate structure and development of future businesses.

#### 1. Year-end dividend

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property to shareholders and their aggregate amount

The Company proposes to pay a dividend of ¥52.50 per common share of the Company.

In this event, the total dividends will be ¥1,081,907,977.

(3) Effective date of dividends of surplus

The effective date of dividends will be June 30, 2023.

If this proposal is approved and adopted in its original form, the annual dividend, together with the interim dividend of ¥47.50, will be ¥100, an increase of ¥15 compared to the previous fiscal year.

#### 2. Other appropriation of surplus

(1) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥6,000,000,000

(2) Item of surplus to be increased and amount of increase

General reserve: ¥6,000,000,000

**Proposal No. 2** Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all five Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of five Directors.

The Audit and Supervisory Committee has determined that the election of Director candidates was performed based on an appropriate nomination procedure, including the review by the voluntary Nomination and Remuneration Advisory Committee the majority of whose members are outside Directors, and that each candidate is suitable from the perspectives of the qualities of candidates, the status of business execution, and the composition of the Board of Directors among others.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Toshiyuki Asai (June 27, 1945)	Mar. 1968      Joined the Company	22,000 shares
		Oct. 1996      Head of Chubu Branch	
June 2001      Director			
June 2005      Managing Director			
June 2009      Representative Senior Management Director			
June 2012      President			
June 2020      President and Executive Officer			
June 2022      Chairman of the Board (current position)			
[Reasons for nomination as candidate for Director] Since assuming the position of President of the Company in 2012, he has been driving the business activities of the Company's group with strong leadership. He is nominated again as a candidate for Director because of such extensive experience and achievements he has gained.			
2	Hirotosugu Okada (December 1, 1958)	Mar. 1982      Joined the Company	14,200 shares
		June 2009      Head of Chubu Branch	
June 2015      Director			
Oct. 2015      Head of Kansai Branch			
June 2017      Managing Director			
June 2019      Representative Senior Management Director			
June 2019      General Manager of Sales Headquarters			
June 2020      Representative Director and Senior Management Executive Officer			
June 2022      President and Executive Officer (current position)			
[Reasons for nomination as candidate for Director] He has served as the general manager covering Chubu and Kansai areas for many years and has been deeply involved in the management of the Company's group as Representative Director. He is nominated again as a candidate for Director because of such extensive experience and achievements he has gained.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Masahiro Nakamura (August 29, 1960)	July 1987      Joined the Company Apr. 1999      Head of Corporate Planning Office June 1999      Director June 2001      Managing Director June 2020      Director and Managing Executive Officer June 2022      Representative Director and Senior Management Executive Officer (current position)	221,400 shares
		[Significant concurrent positions outside the Company] Representative Director and Chairman of KOKUSAI BULK TERMINAL CO., LTD.	
[Reasons for nomination as candidate for Director] He has been deeply involved in the management of the Company's group as Managing Director for many years and, making the best use of his extensive experience and achievements in corporate management, he commits himself to the management of the Company's group as Representative Director and Chairman of Kokusai Bulk Terminal Co., Ltd., which became a consolidated subsidiary of the Company in 2019. He is nominated again as a candidate for Director because of this experience and commitment.			
4	Yuichi Ando (April 15, 1965)	Mar. 1989      Joined the Company Apr. 2013      General Manager of Sales Planning Division Apr. 2016      General Manager of Sales Planning Division and General Manager of 3PL Business Division June 2017      Director June 2019      Managing Director June 2019      Deputy General Manager of Sales Headquarters June 2020      Director and Managing Executive Officer Apr. 2021      General Manager of Sales Headquarters (current position) June 2022      Director and Senior Management Executive Officer (current position)	7,600 shares
		[Reasons for nomination as candidate for Director] He serves as the head of the Company's sales departments and has extensive knowledge and experience in the sales operations and 3PL business as General Manager of the Sales Headquarters. He is nominated again as a candidate for Director because of such knowledge and experience.	
5	Kenichi Ishikawa (September 19, 1953)	Mar. 1978      Joined the Company June 2007      General Manager of Accounting Division June 2012      Director June 2017      Managing Director June 2020      Director and Managing Executive Officer (current position)	6,900 shares
		[Reasons for nomination as candidate for Director] He has been engaged in accounting operations for many years, and served as General Manager of the Accounting Division of the Company. He also has been involved in the management of the Company's group as a Managing Director in charge of areas including accounting, related operations and information systems. He is nominated again as a candidate for Director because of these achievements.	

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. In accordance with Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a directors and officers liability insurance policy with an insurance company, and an outline of the contents of the said insurance policy is as described in page 15 of the Business Report (in Japanese only). If the elections of candidates for Director are approved, the candidates will continue to be included as the insured in the said policy. In addition, the Company plans to renew the said insurance policy with the same terms at the next renewal time.

[Reference] Skills Matrix of Directors upon Conclusion of this General Meeting of Shareholders

Name	Position	Outside	Corporate management	Sales & marketing	Finance & accounting	Legal affairs & compliance	Global	Industrial knowledge	ESG & sustainability
Toshiyuki Asai	Chairman of the Board		○	○				○	
Hirotsugu Okada	President		○	○				○	
Masahiro Nakamura	Representative Director		○				○	○	
Yuichi Ando	Director			○		○		○	
Kenichi Ishikawa	Director		○		○			○	○
Yasuhiro Shibuya	Director (Full-Time Audit and Supervisory Committee Member)		○		○	○			
Akinobu Naito	Director (Audit and Supervisory Committee Member)	○	○				○		
Akio Sato	Director (Audit and Supervisory Committee Member)	○			○	○			
Izumi Kuwano	Director (Audit and Supervisory Committee Member)	○	○						○

Position represents current positions.

**Proposal No. 3** Continuation of Policy for Responding to a Large-scale Purchase of the Company's Shares, Etc. (Takeover Defense Measures)

At the 118th Annual General Meeting of Shareholders held on June 26, 2020, the Company received approval on the continuation of our policy for responding to a large-scale purchase of the Company's shares, etc. (hereinafter, the "Current Plan").

As the effective period of the Current Plan is until the conclusion of this Annual General Meeting of Shareholders, the Company has considered its status, including the appropriateness of its continuation, from the perspective of maintaining and enhancing shareholders' common interests and corporate value. As a result, with consideration for changes in relevant circumstances, trends for institutional investors and other factors, the Company has decided to continue the Current Plan, subject to receiving the approval of shareholders (hereinafter, the policy after continuation shall be referred to as the "Plan"). If shareholders' approval is received at this Annual General Meeting of Shareholders, the effective period of the Plan shall be from the point approval is received until the conclusion of the Annual General Meeting of Shareholders of the Company to be held in June 2026.

In the continuation of the Plan, the Company has made required changes, including amendments to certain wording and other relevant sections as listed below, but there are no changes to the actual content of the Plan.

- II-i. Initiatives to Enhance Corporate Value
- II-ii. Strengthening Corporate Governance
- Attachment 2 Past Experience of the Independent Committee Members

Accordingly, the Company requests the shareholders' approval of the Plan.

**I. Basic Policy Regarding the Status of Persons Controlling Decisions about the Company's Financial and Business Policies**

As an entity whose shares are listed on a financial instruments exchange, the Company respects the free transaction of its shares on the exchange, and even in the case of a large-scale purchase of the Company's shares by a specific person, the Company shall not categorically deny it, provided it contributes to securing and enhancing the corporate value of the Group and shareholders' common interests. In addition, the Company believes that ultimately, whether or not to accept a large-scale purchase of shares should be entrusted to the determination of shareholders.

However, among proposals for large-scale purchases of shares, there are some for which the necessary information for shareholders to make a final decision has not been provided, some that cannot be said to sufficiently reflect the value of the Group, and some that may harm the corporate value of the Group and shareholders' common interests, such as those for which there is a possibility that favorable relationships with stakeholders may not be maintained. For such proposals by persons attempting to conduct a large-scale purchase who are deemed unsuitable for controlling the financial and business policies of the Company, the Board of Directors of the Company believes that, as the responsibility of persons entrusted by shareholders, they must secure for shareholders the necessary time and information, negotiate with the person making the large-scale purchase proposal for the Company's shares, etc.

**II. Special Initiatives to Contribute to the Realization of the Basic Policy**

**II-i. Initiatives to Enhance Corporate Value**

The Company has engaged in intermodal transportation across land, sea, and air throughout our history as a comprehensive logistics company established in 1931, making full use of the latest IT technology and a global network integrated with Group companies and affiliated companies in Japan and overseas, and have defined the philosophy of "customer first" as the first concept of our management principles under our company motto of "Enthusiasm and Effort."

We believe that the sources of corporate value for the Company and the Group are the following: (1) our capacity to build and propose global logistics services that are able to respond immediately to the diverse needs of the increasingly sophisticated logistics market; (2) high-quality skills and motivation in on-site activities that combine the newest logistics facilities, extensive experience and advanced technology; and (3) efforts on the SDGs through safety-related initiatives, environmental preservation, quality improvement, etc., with compliance as our first priority, maintaining an awareness that logistics is a business that holds a deep connection to public interest.

First, (1) our capacity to build and propose logistics services has received high praise from customers through the provision of made-to-order logistics systems utilizing our 3PL (third-party logistics) system as a tool for centralizing logistics processes and information (referred to as the “MLP” system by the Company, an abbreviation for “Maruzen Logistics Partner”).

Next, in (2) high-quality skills and motivation in on-site activities, we have earned a deep sense of trust from our customers for many years by providing high-quality logistics services, made possible by dispatching talented human resources with advanced logistics management skills who are well versed in the unique characteristics of the cargo entrusted to us by our customers and professional engineers who demonstrate unparalleled technical skills in each individual task.

Finally, in strengthening (3) efforts on the SDGs, we have built our internal control systems up in concert with the establishment of the CSR Promotion Council (chaired by the President), and have introduced multiple committees overseen by the Council, including the Internal Control Committee, Compliance Committee, Risk Management Committee, Information Security Committee, Personal Information Management Committee, Safety and Quality Committee, Environmental Committee, and Work Style Reform Promotion Committee. In doing so, we have built a management system that enables us to fulfill our social responsibilities through consistent and systematic efforts related to CSR.

In this way, the accumulated history of efforts undertaken by the Company and the Group since our establishment has served as a source for our current corporate value, and we believe that enhancing the social significance of the Company through continuing and developing the Company’s corporate culture will lead to maximizing corporate value and shareholders’ common interests as a result.

The labor shortage in the domestic logistics market is becoming an increasingly serious issue with each passing year, and customers are yearning for the continuation of stable logistics services. As such, looking ahead toward the substantial progress that will be made in the automation of transportation and operations in the near future, on top of providing labor, the capacity to identify customer’s issues and propose relevant solutions will become even more important.

Against this backdrop, the Group formulated the Eighth Medium-term Management Plan, a three-year plan starting in the fiscal year ending March 31, 2023, and has implemented the plan since April 2022. Under the Plan, we have set the Group’s vision as “a logistics partner for creating the future of our customers by leveraging our technologies, as well as skills and motivation in on-site activities,” focusing on the following measures: “growth target,” under which we aim to expand our business through sophistication of the 3PL service and the provision of new logistics services targeting industry and business sectors with potential for future growth; “enhancement of business competitiveness,” under which we aim to promote the Company’s own LLP service (MALoS [Maruzen Advanced Logistics Solution]) by expansion and sophistication of the 3PL business, as well as to establish a logistics platform; and “reinforcement of our corporate foundation” through promotion of digital transformation (DX) and efforts on the SDGs. With these measures in place, all the Group’s officers and employees will work together as a team to implement the Eighth Medium-term Management Plan under the brand slogan: “Logistics is Love.” created to commemorate the 90th anniversary of its establishment.

#### 1. Growth target

The Company will seek to target the industry and business sectors with potential for future growth to aim for further sophistication of the 3PL service and expanding business through providing new services using a logistics platform. In order to identify the impact of environmental changes and leverage the strengths of the Company in response, we will proceed to strengthen our functionality through capital investment and M&A.

##### (1) Growth target #1 (Growth industries)

We will target seven industries from among the business sectors that we consider to be growth industries where we can leverage the strengths of the Company in striving to expand our business. (Robotics, medical equipment, semiconductor manufacturing equipment, semiconductor materials, storage batteries, electronic components, and industrial machinery)

##### (2) Growth target #2 (Expand market share of existing customers)

We will target products and materials related to growth industries to expand our market share among our major existing customers.



- (3) Growth target #3 (Differentiated business sectors)  
We will strengthen our most differentiated services among the services currently provided by the Company, and aim to increase sales in these business sectors. (Logistics services related to agricultural products and transportation networks for hazardous goods)
- (4) Growth target #4 (New businesses)  
We will develop businesses in sectors that exhibit strong social demand for progress through the SDGs, etc. and expect to see future growth. (New energy and reverse logistics)
- 2. Enhancement of business competitiveness (business portfolio)
  - (1) Logistics operations
    - 1) Expansion and sophistication of 3PL services
      - a. Expand sales in new and existing 3PL services
      - b. Expand consulting through LLP service (MALoS)
    - 2) Establish logistics platform
      - a. Expand joint logistics through digital platform
      - b. Strengthen relationships with logistics partners
    - 3) Expand logistics business
      - a. Expand sales in logistics business
      - b. Provide sustainable logistics services
    - 4) Expand global logistics operations
      - a. Expand business of local affiliates overseas
      - b. Expand domestic business through overseas network
  - (2) Yard operations and mechanical cargo handling segment
    - 1) Promote mechanization and labor-saving in yard operations
  - (3) Other businesses
    - 1) Expand scope of services for machinery-related operations (maintenance, etc.)
- 3. Reinforcement of corporate foundation
  - (1) Promoting DX
    - 1) Build next core systems
    - 2) Build logistics platform
    - 3) Promote digitization
  - (2) Securing and training human resources
    - 1) Promote diversity
    - 2) Enhance employee skills
    - 3) Establish personnel system within Group
  - (3) Strengthen capital investment
    - 1) Promote environmentally-friendly measures in logistics operations
    - 2) Advance logistics bases
  - (4) Utilizing M&As
    - 1) M&As with domestic companies
  - (5) Strengthening Group's organizational structure
    - 1) Strengthen Group's strategy formulation function (Management Division)
    - 2) Group reorganization for enhancing skills and motivation in management and on-site activities
    - 3) Strengthen risk management system
  - (6) Strengthening IR
    - 1) Enhance various forms of information disclosure
  - (7) Efforts on the SDGs
    - 1) Social contribution linked to logistics operations
    - 2) Realization of resilient logistics

## II-ii. Strengthening corporate governance

### 1. Basic policy

In order to respond to the drastically changing business environment in a prompt and appropriate manner and establish a system that facilitates the realization of sustainable growth and enhanced corporate value over the medium to long term, the Company endeavors to strengthen and enhance corporate governance by further

improving management transparency for shareholders and other stakeholders while enforcing a strict adherence to the social standards set forth in our management principles.

## 2. Corporate governance system

The Company strives to enhance corporate governance by strengthening the supervisory functions of the Board of Directors and realizing greater transparency in management by assigning responsibility for auditing and supervising the legality and appropriateness of business operations to the Audit and Supervisory Committee, the majority of whose members are outside Directors, for the purpose of building a system that can more accurately meet the expectations of stakeholders in Japan and overseas. At the 118th Annual General Meeting of Shareholders held in June 2020, the Company resolved to amend the Articles of Incorporation to transition to a Company with an Audit and Supervisory Committee, and on the same date, the Company transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit and Supervisory Committee. Explanations of the various organizational bodies of the Company are as follows.

(Board of Directors)

- The Board of Directors serves the purpose of making decisions on matters prescribed by laws and regulations and important matters related to management while providing strict supervision of business execution, ensuring a system that facilitates the holding of regular Board of Directors meetings once a month and extraordinary Board of Directors meetings as necessary.
- In order to expedite decision-making, the Articles of Incorporation stipulate that all or part of the important decisions on business execution may be delegated to the Directors by a resolution of the Board of Directors.

(Managing Director Committee)

- The Managing Director Committee serves the purpose of deliberating and discussing important management matters and receiving important reports in regard to management in response to the President exercising their executive authority over business operations and decisions on business operations as determined and delegated by the Board of Directors. Meetings of the Committee are held once a week.
- The Managing Director Committee deliberates or discusses agenda matters to be presented to the Board of Directors and proposals submitted to the Managing Director Committee by Executive Officers with specific titles.
- In addition, the system facilitates Audit and Supervisory Committee Members in attending meetings of the Managing Directors Committees in order for them to gain an understanding on the status of business execution.

(Executive Officers)

- The Executive Officer system, defining the primary role of the Board of Directors as a body of decision-making for management and supervision of business execution, serves the purpose of increasing the flexibility of management by seeking to clarify executive authority and responsibilities through establishing a system in which Executive Officers carry out the business operations of the Company under the direction and supervision of the Representative Director.
- The Executive Officers cooperate with the Board of Directors by attending important meetings such as those of the Board of Directors, etc., in a system that facilitates their duties in executing the business of the Company.

(Audit and Supervisory Committee)

- The Audit and Supervisory Committee, the majority of whose members are outside Directors, serves the purpose of auditing and supervising the legality and appropriateness of business execution.
- Each Audit and Supervisory Committee Member attends important meetings such as those of the Board of Directors, etc. based on the formulated audit policies and plans as a system that facilitates the audit and supervision of the execution of duties by Directors through investigating the status of business activities and assets, etc. In addition, we are working to strengthen the functions of the Audit and Supervisory Committee by receiving reports from the Internal Audit Department and strengthening cooperation by providing instruction and direction as necessary.

(Nomination and Remuneration Advisory Committee)

- The Nomination and Remuneration Advisory Committee serves the purpose of seeking to strengthen the fairness, transparency, and objectivity of procedures related to the nomination and remuneration of Directors and Executive Officers and enhance the Company's corporate governance.

- The Nomination and Remuneration Advisory Committee deliberates on matters related to the nomination and remuneration of Directors and Executive Officers as requested by the Board of Directors, and reports the results thereof to the Board of Directors in turn.

### III. Measures to Prevent Persons Deemed Unsuitable in Light of the Basic Policy from Controlling the Financial and Business Policies of the Company

#### 1. Overview and Purpose of the Plan

The Board of Directors of the Company has decided to continue the Plan in order to make clear the rules that persons attempting to conduct a large-scale purchase of the Company's shares, etc. should follow, and to secure the necessary and sufficient information and time for shareholders to make an appropriate assessment, together with opportunities to negotiate with the person attempting to conduct the large-scale purchase.

As follows, the Plan sets forth the rules that persons attempting to conduct a large-scale purchase of the Company's shares, etc. should follow, and makes it clear that any persons attempting to conduct a large-scale purchase might incur damages as a result of the Company taking countermeasures in certain cases, and by making appropriate disclosure thereof, a warning is hereby given to any persons attempting to conduct a large-scale purchase that will not contribute to the Company's corporate value and shareholders' common interests.

Furthermore, under the Plan, in order to enable the Board of Directors of the Company to make more appropriate decisions when activating countermeasures, etc., the Company shall respect the recommendation of an independent committee (hereinafter, the "Independent Committee") made up solely of persons independent from the management team conducting the business operations of the Company who are Outside Directors of the Company or outside experts (corporate managers with a track record of performance, former government employees, attorneys, certified public accountants, academic experts, or other equivalent persons), in accordance with the Independent Committee Regulations (please refer to Attachment 1 for an overview thereof), in addition to ensuring transparency by making timely disclosure of related information to shareholders.

In addition, in certain cases, such as upon the recommendation of the Independent Committee, either a shareholder vote at a General Meeting of Shareholders to confirm the will of shareholders or a vote in writing may be selected to confirm the will of shareholders. For the members of the Independent Committee at the time of the continuation of the Plan, the Company intends to appoint the three persons listed in Attachment 2.

In addition, the status of major shareholders of the Company as of March 31, 2023 is as shown in Attachment 3, "Status of Shareholdings by Major Shareholders of the Company." The Company has not received any proposals regarding a large-scale purchase of the Company's shares, etc. at the present time.

#### 2. Details of the Plan

##### (1) Procedures Relating to the Plan

##### 1) Applicable Large-scale Purchases, etc.

The Plan shall apply in cases when a purchase or other similar action pertaining to the Company's shares, etc. that falls under item (i) or (ii) below is conducted (however, this excludes those that have been approved by the Board of Directors of the Company; hereinafter, the relevant actions are referred to as "Large-scale Purchase(s), etc.>"). Persons conducting or attempting to conduct a Large-scale Purchase, etc. (hereinafter, the "Purchaser(s), etc.") must comply with the procedures set forth in advance in the Plan.

- Purchases whereby the ownership ratio of shares, etc.<sup>3</sup> of a holder<sup>2</sup> in relation to shares, etc.<sup>1</sup> issued by the Company will be 20% or more;
- A tender offer<sup>5</sup> for shares, etc.<sup>4</sup> issued by the Company, whereby the total of the ownership ratio of shares, etc.<sup>6</sup> pertaining to the shares, etc. that the tender offer concerns and the ownership ratio of shares, etc. of any specially related parties<sup>7</sup> thereof will be 20% or more.

(Note 1) Refers to share certificates, etc. as defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act. The same applies hereinafter unless otherwise provided for. Furthermore, in the event of amendments to laws and regulations, etc. cited in the Plan (including changes to the names of laws and regulations and the establishment of new laws, etc. that succeed the former laws and regulations, etc.), each provision or term of the law or regulation, etc. cited in the Plan shall be

deemed to be replaced with the provision or term in the law or regulation, etc. that substantially succeeds these provisions or terms of laws or regulations, etc. after the amendment, unless otherwise determined by the Board of Directors of the Company.

- (Note 2) Refers to a holder as defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act, and includes persons included as holders pursuant to paragraph (3) of the same.
- (Note 3) Refers to the ownership ratio of share certificates, etc. as provided for in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- (Note 4) Refers to share certificates, etc. as defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act. The same shall apply in item (ii) hereinafter.
- (Note 5) Refers to a tender offer as provided for in Article 27-2, paragraph (6) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- (Note 6) Refers to the ownership ratio of share certificates, etc. as provided for in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- (Note 7) Refers to a specially related party as defined in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act. However, in regard to persons set forth in item (i) of the same, this shall exclude persons provided for in Article 3, paragraph (2) of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer. The same shall apply hereinafter.

## 2) Prior Submission of Letter of Intent to the Company

The Purchaser, etc. shall submit to the Board of Directors of the Company a written statement that includes a pledge to comply with the procedures set forth in the Plan when conducting a Large-scale Purchase, etc. (hereinafter, the “Letter of Intent”) in Japanese, in the form specified by the Company, ahead of the implementation of any Large-scale Purchase, etc.

Specifically, the following items shall be provided in the Letter of Intent.

- (i) Overview of the Purchaser, etc.
  - (a) Name or corporate name and address or location
  - (b) Position and name of representative
  - (c) Objective and business details of the company, etc.
  - (d) Overview of major shareholders or major investors (top ten by shares held or investment ratio)
  - (e) Contact details in Japan
  - (f) Governing law of incorporation
- (ii) Number of the Company’s shares, etc. actually held by the Purchaser, etc., and status of transactions in the Company’s shares, etc. by the Purchaser, etc. over the 60 days prior to the submission of the Letter of Intent
- (iii) Overview of the Large-scale Purchase, etc. proposed by the Purchaser, etc. (including the type and number of the Company’s shares, etc. that the Purchaser, etc. intends to acquire through the Large-scale Purchase, etc., and the objective of the Large-scale Purchase, etc. (the acquisition of control or participation in management, portfolio investment or strategic investment, the transfer, etc. of the Company’s shares, etc. to a third party after the Large-scale Purchase, etc., or if there is any other objective, such as making a Material Proposal<sup>8</sup>, notice to that effect and the details thereof; furthermore, in the event that there are multiple objectives, all shall be given))

## 3) Provision of the Required Information

If the Letter of Intent described in the above item 2) is submitted, then the Purchaser, etc. shall then provide to the Company information, in Japanese, that is necessary and sufficient for shareholders and investors to make an assessment and the Board of Directors to make an evaluation and consideration regarding the Large-scale Purchase, etc. (hereinafter, the “Required Information”), in accordance with the procedure below.

First, within ten business days<sup>9</sup> (not including the first day) of the submission of the Letter of Intent, the Company shall dispatch to the Purchaser, etc. at his or her contact address in Japan in the above item 2) (i) (e) a list of the information that should initially be provided, and the Purchaser, etc. shall thus provide sufficient information to the Company in accordance with the list of information.

(Note 8) Refers to a Material Proposal as defined in Article 27-26, paragraph (1) of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Ordinance on Disclosure of the Status of Large-Volume Holdings in Share Certificates, etc. The same applies hereinafter unless otherwise provided for.

(Note 9) A business day refers to days other than those listed in each item of Article 1, paragraph (1) of the Act on Holidays of Administrative Organs. The same shall apply hereinafter.

In addition, in the event that the Board of Directors of the Company reasonably judges that the information provided by the Purchaser, etc. in accordance with the above list of information is insufficient for the assessment of shareholders or the evaluation and consideration of the Board of Directors and the Independent Committee of the Company, etc., in light of the details and format, etc. of the Large-scale Purchase, etc., then the Purchaser, etc. shall provide additional information as separately requested by the Board of Directors of the Company.

However, to enable the Company to be provided the information by the Purchaser, etc. in an expeditious way and to avoid the situation where the Board of Directors of the Company be arbitrarily operated and demand additional information only in an attempt to delay the process and so forth, the period for providing information shall be limited to up to 60 days following the receipt of the Statement of Intent, and even where the Required Information is not sufficiently provided by the completion of the period for providing information, the “Board of Directors’ Evaluation Period” (defined later in item 4)) shall commence immediately at that point (however, where the Purchaser, etc. presents reasonable justification to request a time extension, such request may be granted and the period for providing information may be extended for a suitable amount of time as necessary).

Furthermore, regardless of the details and format, etc. of the Large-scale Purchase, etc., information pertaining to each of the items below shall, in principle, be included in part of the list of information.

- (i) Details of the Purchaser, etc. and its group (including any joint holders<sup>10</sup>, specially related parties, and, in the case of funds, each member and other constituents) (including history, specific name, capital structure, business details, financial details, and the names and past experience of officers)
- (ii) Purpose of the Large-scale Purchase, etc. (details of the purpose disclosed in the Letter of Intent), method and details (including whether or not the purchaser, etc. intends to participate in management, the type and amount of consideration for the Large-scale Purchase, etc., timing of the Large-scale Purchase, etc., the structure of any related transactions, the number of shares, etc. the purchaser, etc. intends to purchase and the ownership ratio of shares, etc. after the purchase, etc., and the legality of the method of Large-scale Purchase, etc.)
- (iii) Calculation basis for the Large-scale Purchase, etc. consideration (including assumptions and facts used in the calculation, the calculation method, numerical data used in the calculation and the details of any synergies expected to arise as a result of transactions related to the Large-scale Purchase, etc., and, in the event that any third parties have been consulted when performing the calculation, the names of those third parties, a summary of their opinions, and the process that led to them determining the amount in light of these opinions)
- (iv) Backing for the funds for the Large-scale Purchase, etc. (including the specific name of the provider of funds (including any de facto providers), the method of raising funds, and the details of any related transactions)
- (v) Whether or not there has been any communication of intent with any third parties in connection with the Large-scale Purchase, etc. and, in the event that there has been a communication of intent, the details thereof and an overview of those third parties
- (vi) In the event that the Purchaser, etc. has already entered into a lending agreement, pledge agreement, resale agreement, engagement agreement for purchase and sale or other important agreement or arrangement (hereinafter, the “Pledge Agreement, etc.”) pertaining

to the Company's shares, etc., the specific details of the Pledge Agreement, etc., including the type of agreement, agreement counterparty, and number of shares, etc. to which the agreement applies

- (vii) In the event that the Purchaser, etc. intends to enter a Pledge Agreement, etc. or other form of agreement with a third party in relation to the Company's shares, etc. that it plans to acquire in the Large-scale Purchase, etc., the specific details of the agreement, including the type of agreement planned, agreement counterparty, and the number of shares, etc. to which the agreement applies

(Note 10) Refers to a joint holder as defined in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act, and includes persons recognized by the Board of Directors of the Company to be deemed as joint holders pursuant to paragraph (6) of the same. The same shall apply hereinafter.

- (viii) Management policies, business plans, capital strategy, and dividend strategy for the Company and the Group after the Large-scale Purchase, etc.
- (ix) Policies regarding the treatment, etc. of the Company's employees, labor unions, business partners, customers, local communities, and other stakeholders of the Company after the Large-scale Purchase, etc.
- (x) In the event that a conflict of interest with other shareholders of the Company may occur, specific measures to avoid said conflict of interest

The Board of Directors of the Company shall appropriately disclose the fact that there was a proposal for a Large-scale Purchase, etc. from a Purchaser, etc., and shall make prompt disclosure of an overview of the proposal, an overview of the Required Information, and any other information recognized as necessary for the judgment of shareholders and investors, if there is such information.

In addition, if the Board of Directors of the Company recognizes that the Required Information has been sufficiently provided by the Purchaser, etc. or 60 days has passed from the receipt of the Statement of Intent, it shall notify the Purchaser, etc. to that effect (hereinafter, the "Completion Notice of Information Provision"), and shall make prompt disclosure to that effect.

- 4) Establishment of the Board of Directors' Evaluation Period, etc.  
After the Completion Notice of Information Provision, the Board of Directors of the Company will establish a period counted from the day immediately following in accordance with items (i) or (ii) below depending on the difficulty of evaluating the Large-scale Purchase, etc., as a period (hereinafter, the "Board of Directors' Evaluation Period") for the Board of Directors of the Company to evaluate, consider, negotiate, form an opinion, and formulate an alternative proposal, and shall make prompt disclosure to that effect.

- (i) A period of up to 60 days in the event of a tender offer for all of the Company's shares, etc. where the consideration is cash only (Japanese yen)

- (ii) A period of up to 90 days for any other Large-scale Purchase, etc.

However, in either case (i) or (ii) above, the Board of Directors' Evaluation Period may be extended if the Board of Directors and the Independent Committee reasonably recognize that it is insufficient for evaluation and consideration, and in that case, the Purchaser, etc. shall be notified of the specific extension period and reasons the extension period is necessary, and disclosure shall be made to shareholders and investors. In addition, the extension period shall be up to a maximum of 30 days.

During the Board of Directors' Evaluation Period, the Board of Directors of the Company shall perform such actions as sufficiently evaluating and considering the Required Information provided by the Purchaser, etc. while appropriately obtaining advice from outside experts, etc. as necessary, and consider the content of the Large-scale Purchase, etc. by the Purchaser, etc. from the perspective of securing and enhancing the corporate value of the Company and shareholders' common interests. Through these considerations, etc., the Board of Directors of the Company will carefully summarize the opinion of the Board of Directors in regard to the Large-scale Purchase, etc. and notify the Purchaser, etc. thereof, in addition to making timely,

appropriate disclosure to shareholders and investors. In addition, if necessary, the Board of Directors of the Company may negotiate the terms and method of the Large-scale Purchase, etc. with the Purchaser, etc., and, furthermore, present an alternative proposal to shareholders and investors as the Board of Directors of the Company.

The Board of Directors of the Company receives a statement of intent and the necessary information from the Purchaser, etc., and at the same time as the Board of Directors' Evaluation Period begins, consults the Independent Committee on the pros and cons of implementing takeover defense measures. At that time, all information submitted by the Purchaser, etc. will be provided to the Independent Committee.

5) Recommendation of the Independent Committee regarding the Activation of Countermeasures

The Independent Committee shall, within the Board of Directors' Evaluation Period, make recommendations to the Board of Directors of the Company regarding the pros and cons of taking countermeasures in accordance with the following procedures in parallel with the evaluation, examination, negotiation, opinion formation, and proposal of alternative proposals by the Board of Directors of the Company as described in 4) above.

When doing so, in order to ensure that the judgment of the Independent Committee is made in a manner that contributes to the securing and enhancing of the corporate value of the Company and shareholders' common interests, the Independent Committee may, at the Company's expense, obtain the advice of third parties who are independent of the management team engaged in the business execution of the Company (including investment banks, securities firms, financial advisers, certified public accountants, attorneys, consultants, and other experts). Furthermore, in the event that the Independent Committee provides a recommendation to the Board of Directors of the Company as defined in items (i) or (ii) below, the Board of Directors of the Company shall promptly disclose information relating the fact that the recommendation was made, an overview thereof, and any other matters judged appropriate by the Board of Directors of the Company.

(i) If the Purchaser, etc. has not Complied with the Procedures set forth in the Plan

In principle, if the Purchaser, etc. fails to comply with the procedures stipulated in items 2) to 4) above, the Independent Committee recommends that the Board of Directors of the Company activates countermeasures.

(ii) If the Purchaser, etc. has Complied with the Procedures set forth in the Plan

In principle, if the Purchaser, etc. complies with the procedures stipulated in items 2) to 4) above, the Independent Committee recommends that the Board of Directors of the Company does not activate countermeasures.

However, even in the case that the Purchaser, etc. complies with the procedures stipulated in items 2) to 4) above, if the Large-scale Purchase, etc. is recognized as falling under any of the types listed in Attachment 4 and it is concluded that the Large-scale Purchase, etc. may significantly harm the corporate value of the Company or the common interests of shareholders and thus determined that activating countermeasures would be appropriate, as an exceptional measure, it will be recommended that countermeasures are activated. If the Independent Committee determines that any of the triggering events in items 6 through 10 of Attachment 4 are applicable to the Large-scale Purchase, etc., it may express its opinion to the effect that it will obtain confirmation of the shareholders' will with respect to the activation of the countermeasures in advance.

6) Resolution of the Board of Directors, Confirmation of Shareholders' Will

Taking into account the recommendation of the Independent Committee set forth in the above item 5), the Board of Directors of the Company shall promptly make a resolution regarding the activation or non-activation of countermeasures, from the perspective of securing and enhancing the corporate value of the Company and shareholders' common interests.

If the Independent Committee expresses its opinion to the effect that the shareholders' will should be confirmed in advance upon recommending the activation of countermeasures, then the Board of Directors of the Company shall select to hold a shareholder vote at a General Meeting of Shareholders to confirm the will of shareholders or a vote in writing (hereinafter, the "Shareholder Will Confirmation General Meeting, etc."), and submit a proposal regarding the

activation of countermeasures. The Shareholder Will Confirmation General Meeting may be held together with the Annual General Meeting of Shareholders or an Extraordinary General Meeting of Shareholders. If the Board of Directors of the Company decides to hold a Shareholder Will Confirmation General Meeting, etc., then the Board of Directors' Evaluation Period shall end at that point.

In the event that the Company will hold a Shareholder Will Confirmation General Meeting, etc., the Board of Directors decides whether to do so by holding a Shareholder Will Confirmation General Meeting or holding a vote in writing, and then sets a record date to finalize the shareholders who are eligible to exercise their voting rights (hereinafter, the "Record Date for Voting"), and the Company shall promptly disclose information on the content of this decision. Shareholders who are registered or recorded on the final shareholders' registry on the Record Date for Voting will be able to exercise their voting rights through the process at the Shareholder Will Confirmation General Meeting, etc. Each shareholder may vote once for each voting right for shares held.

In addition, the Record Date for Voting shall be the earliest practical date after the completion of the Board of Directors' Evaluation Period, and shareholders will be notified at least two weeks before the Record Date for Voting.

If a proposal regarding the activation of countermeasures is approved at the Shareholder Will Confirmation General Meeting, etc., then, in accordance with the decision made at the Shareholder Will Confirmation General Meeting, etc., the Board of Directors of the Company shall make a resolution regarding the activation of countermeasures and take the necessary procedures. On the other hand, if a proposal regarding the activation of countermeasures is rejected at the Shareholder Will Confirmation General Meeting, etc., the Board of Directors of the Company shall make a resolution regarding the non-activation of countermeasures.

If the Board of Directors of the Company makes a resolution as set forth above, then regardless of whether the content of that resolution is to activate or not activate countermeasures, the Board of Directors of the Company shall promptly disclose information relating to an overview of the resolution and any other matters judged to be appropriate by the Board of Directors the Company and the Independent Committee, and in the event that the Company will hold a Shareholder Will Confirmation General Meeting, etc., information relating to the result of the vote and any other matters judged to be appropriate by the Board of Directors the Company and the Independent Committee.

7) Cancellation of Countermeasures or Suspension of Activation

After the Board of Directors of the Company has resolved to activate countermeasures in accordance with the procedures set forth in the above item 6), or even after it has activated them, it may cancel or suspend the activation of countermeasures if: (i) the Purchaser, etc. cancels the Large-scale Purchase, etc.; or (ii) changes arise to the facts, etc. that formed the basis of the decision on whether or not to activate countermeasures, leading to circumstances where it is believed that maintaining the activated countermeasures would not be appropriate from the perspective of securing and enhancing the corporate value of the Company and shareholders' common interests.

If the Board of Directors of the Company makes the above resolution, it shall promptly disclose information relating to an overview of that resolution and any other matters judged to be appropriate by the Board of Directors of the Company.

8) Commencement of the Large-scale Purchase, etc.

The Purchaser, etc. shall comply with the procedures stipulated the above items 1) through 6), and may not commence the Large-scale Purchase, etc. until a resolution is made by the Board of Directors regarding whether to activate or not activate countermeasures.

(2) Details of Specific Countermeasures under the Plan

The specific countermeasure to be activated by the Board of Directors of the Company based on a resolution as described in the above item (1) 6) shall be a gratis allotment of stock acquisition rights (hereinafter, the "Stock Acquisition Rights"). An overview of the gratis allotment of the Stock Acquisition Rights is as described in Attachment 5, "Overview of the Gratis Allotment of Stock Acquisition Rights."



After the Board of Directors of the Company has resolved to activate countermeasures, and even after activation, it may decide to cancel the countermeasures or suspend activation, as described in the above item (1) 7).

For example, in cases when the Board of Directors of the Company resolves to conduct a gratis allotment of the Stock Acquisition Rights as a countermeasure, if the Purchaser, etc. cancels the Large-scale Purchase, etc. and the Board of Directors of the Company makes a resolution as described in the above item (1) 7), it may suspend the activation of countermeasures by measures including canceling the gratis allotment of the Stock Acquisition Rights prior to the ex-rights date pertaining to the record date established for the gratis allotment of the Stock Acquisition Rights, and, on or after the effective date of the gratis allotment of the Stock Acquisition Rights, the Company acquiring the Stock Acquisition Rights without consideration prior to the day before the commencement date of the Stock Acquisition Rights' exercise period.

(3) Effective period, discontinuation, and amendment of the Plan

If the effective period of the Plan is approved at this Annual General Meeting of Shareholders, said effective period shall be until the conclusion of the Annual General Meeting of Shareholders to be held in June 2023.

However, even before the end of the effective period, if a resolution is made to amend or discontinue the Plan at a General Meeting of Shareholders of the Company, the Plan shall be amended or discontinued at that time, in accordance with the resolution. In addition, if a resolution to discontinue the Plan is made by the Board of Directors, which comprises Directors elected at the General Meeting of Shareholders of the Company, then the Plan shall be discontinued at that time.

Furthermore, if the Board of Directors of the Company judges that formal amendments are necessary in accordance with amendments to the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations or financial instruments exchange rules, or their interpretation or implementation, or changes to the tax system or judicial precedents, etc., then it may make corrections or amendments to the Plan as needed, after obtaining the approval of the Independent Committee.

If the Plan is discontinued or amendments are made to the content of the Plan that will have a material effect on the Company's shareholders, then the Company shall disclose information relating to the fact of the discontinuation or the amendments, and (in the case of amendments) details of the amendments, and any other matters judged to be appropriate by the Board of Directors of the Company.

3. Reasonableness of the Plan

(1) Fulfills All the Requirements of the Guidelines Regarding Takeover Defense

the Plan fulfills all three principles set forth in 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 principle of protecting and enhancing corporate value and the interests of shareholders as a whole, the principle of prior disclosure and shareholder will, and the principle of necessity and reasonableness), and also takes into consideration the "Takeover Defense Measures in Light of Recent Environmental Changes" announced by the Corporate Value Study Group on June 30, 2008.

(2) Introduced for the Purpose of Securing and Enhancing the Corporate Value of the Company and Shareholders' Common Interests

As described in the above item 1., the Plan is being introduced with the objective of securing and enhancing the corporate value of the Company and shareholders' common interests, by making it possible to secure the necessary information and time for shareholders to judge whether or not to accept a Large-scale Purchase, etc. in the event that such a Large-scale Purchase, etc. is conducted for the Company's shares, etc., and for the Board of Directors of the Company to present an alternative proposal, in addition to making it possible to conduct negotiations with the Purchaser, etc. on shareholders' behalf, etc.

(3) Prioritizes Shareholders' Will

The Plan will be continued upon receiving shareholders' approval at this Annual General Meeting of Shareholders, and as described in item 2. (3) above, if a resolution is made to amend or discontinue

the Plan at a subsequent General Meeting of Shareholders of the Company, the Plan shall be amended or discontinued at that time, in accordance with the resolution.

Therefore, the opinion of shareholders shall be fully respected at the continuation, amendment, and discontinuation of the Plan.

(4) Establishment of Reasonable and Objective Activation Requirements

As described in the above item 2. (1), a mechanism is ensured to prevent arbitrary activation by the Board of Directors of the Company, as the Plan is established such that activation will not occur unless reasonable and objective activation requirements are fulfilled.

(5) Prioritization of the Judgment of Highly Independent External Persons, and Information Disclosure

Under the Plan, in order to enable the Board of Directors of the Company to make more appropriate decisions, the Independent Committee shall be established as an advisory body to the Board of Directors that is able to objectively make resolutions and recommendations in relation to the activation of countermeasures and other factors involved in the operation of the Plan.

The Independent Committee comprises three or more members elected from among persons independent of the management team engaged in the business execution of the Company, namely Outside Directors and Outside Corporate Auditors of the Company and other outside experts (corporate managers with a track record of performance, former government employees, attorneys, certified public accountants, academic experts, etc.).

In addition, a mechanism is ensured whereby the Plan will be implemented in a transparent manner that contributes to the corporate value of the Company and shareholders' common interests, as the Company shall disclose information to shareholders as necessary in relation to an overview of the judgment of the Independent Committee.

(6) Not Dead-hand or Slow-hand Takeover Defense Measures

As described in the above item 2. (3), the Plan may be discontinued at any time by the Board of Directors, which comprises Directors elected at the General Meeting of Shareholders of the Company. Accordingly, the Plan is not a dead-hand takeover defense measure (a takeover defense measure whose activation cannot be prevented even if a majority of the members of the Board of Directors are replaced).

In addition, as the Company does not use a staggered term system, the Plan is not a slow-hand takeover defense measure (a takeover defense measure that requires time to prevent its activation, as the members of the Board of Directors cannot all be replaced at one time).

4. Effect on shareholders and investors, etc.

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

At the time of the continuation of the Plan, the Stock Acquisition Rights will not actually be issued. Accordingly, at the time of the continuation of the Plan, there will be no direct, specific effect on the legal rights and economic interests pertaining to the Company's shares held by shareholders.

Furthermore, as described in the above item 2. (1), the Company's policy for responding to a purchase will differ according to whether or not the Purchaser, etc. complies with the Plan, etc., so shareholders and investors are advised to keep the actions of the Purchaser, etc. in mind.

(2) Effect on Shareholders at the Time of a Gratis Allotment of the Stock Acquisition Rights

If the Board of Directors of the Company decides to activate countermeasures and conducts a gratis allotment of the Stock Acquisition Rights, the Stock Acquisition Rights shall be allotted gratis to shareholders recorded in the shareholder register on the Allotment Date, which will be separately determined, at a ratio of up to one Stock Acquisition Rights per share held. With this type of system, although dilution to the economic value per share held by shareholders will occur when a gratis allotment of the Stock Acquisition Rights is conducted, there will be no dilution of the value of the Company's shares held as a whole, and therefore no direct, specific effect is expected on the legal rights or interests pertaining to the Company's shares held by shareholders.

However, the legal rights and economic interests of the Purchaser, etc. may be affected as a result of the activation of these countermeasures.

Furthermore, even if the Board of Directors of the Company resolves to conduct a gratis allotment of the Stock Acquisition Rights, if it resolves to cancel activated countermeasures or suspect activation in accordance with the procedures, etc. set forth in the above item 2. (1) 7), there may be a corresponding fluctuation in the share price of the Company's shares. For example, please note that in

the event that after the shareholders to receive the gratis allotment of the Stock Acquisition Rights have been determined, the Company suspends the activation of countermeasures, acquires the Stock Acquisition Rights without consideration, and does not deliver new shares, then shareholders and investors who have conducted transactions based on the assumption that a dilution in the economic value per share of the Company will occur may suffer a loss owing to fluctuation in the share price, as the dilution in the economic value per share in the Company held by shareholders will not occur.

In addition, if discriminatory terms are attached relating to the exercise or acquisition of the Stock Acquisition Rights, it is expected that the legal rights and economic interests of the Purchaser, etc. will be affected, but even in this case, no direct, specific impact is expected on the legal rights or economic interests pertaining to the Company's shares held by shareholders other than the Purchaser, etc.

(3) Required Procedures for Shareholders Accompanying the Gratis Allotment of the Stock Acquisition Rights

On the effective date of the gratis allotment of the Stock Acquisition Rights, shareholders recorded in the final shareholder register on the date of the gratis allotment of the Stock Acquisition Rights will automatically become stock acquisition rights holders, and therefore no application procedures are necessary.

In addition, if the Company takes procedures to acquire stock acquisition rights with an attached acquisition provision, then shareholders other than the Purchaser, etc. will receive shares in the Company as consideration for the acquisition of stock acquisition rights by the Company, without making monetary payment of an amount equivalent to the exercise price of the stock acquisition rights, and therefore no procedures are required for payment, etc. in relation to the stock acquisition rights.

In addition to the above, after the Board of Directors of the Company makes a resolution regarding the gratis allotment of the Stock Acquisition Rights, the Company will provide timely and appropriate disclosure or notice of the details of procedures relating to the allotment method, exercise method, method of acquisition by the Company, method of delivery of shares, etc., pursuant to the applicable laws and regulations and financial instruments exchange rules, and therefore shareholders are advised to confirm the content of the disclosure or notices.

Overview of the Independent Committee Regulations

1. The Independent Committee shall be established as an advisory body to the Board of Directors by resolution of the Board of Directors of the Company in order to enable the Board of Directors of the Company to make more appropriate decisions in relation to the activation of countermeasures against a Large-scale Purchase, etc., and ensure the objectivity and reasonableness of any judgment or response of the Board of Directors.
2. The Independent Committee shall comprise three or more members, who shall be persons independent from the management team conducting the business operations of the Company who are (1) Outside Directors of the Company or (2) outside experts (corporate managers with a track record of performance, former government employees, attorneys, certified public accountants, academic experts, or other equivalent persons), and shall be elected based on a resolution of the Board of Directors of the Company. Furthermore, the Company shall enter into an agreement with the Independent Committee Members that includes provisions relating to the duty of due care of a prudent manager and the duty of confidentiality.
3. The term of office of the Independent Committee Members shall be until the date of the conclusion of the Annual General Meeting of Shareholders held with respect to the final fiscal year ending within three years of the time of election, or until a date separately determined by the Independent Committee Member and the Company. However, this shall not apply in cases separately provided for by resolution of the Board of Directors of the Company.
4. The Independent Committee shall be convened by a Representative Director of the Company or by each Independent Committee Member.
5. The Chairman of the Independent Committee shall be selected by mutual selection from the members of the Independent Committee.
6. In principle, resolutions of the Independent Committee shall be made by a majority of votes at meetings of the Independent Committee when all members are present. However, at times when any Independent Committee Members are unable to act, or when there are other special reasons, resolutions shall be made by a majority of votes at meetings of the Independent Committee when a majority of members are present.
7. The Independent Committee shall conduct deliberations and make resolutions relating to the matters listed in each of the below items, and shall make recommendations to the Board of Directors of the Company based on the content of those resolutions, together with the reasons thereof.
  - (1) Whether or not to activate countermeasures under the Plan (including whether or not to obtain confirmation of the shareholders' will with respect to activation in advance);
  - (2) Cancellation of countermeasures or suspension of activation under the Plan;
  - (3) Discontinuation or amendment of the Plan;
  - (4) Any other matters that the Board of Directors of the Company consults the Independent Committee about in relation to the Plan.

When conducting deliberations and making resolutions in the Independent Committee, each Independent Committee Member must do so solely from the perspective of whether or not it contributes to the corporate value of the Company and shareholders' common interests, and must not do so in order to further their own personal interests, or those of the management team of the Company.

8. The Independent Committee may request that Directors of the Company, Corporate Auditors, employees, or other persons deemed necessary attend meetings as necessary, and may request opinions or explanations regarding matters specified by the Independent Committee.
9. When executing these duties, the Independent Committee may obtain, at the Company's expense, the advice of outside experts who are independent of the management team engaged in the business execution of the Company (including investment banks, securities firms, financial advisers, certified public accountants, attorneys, consultants, and other experts).

Career Summary of the Independent Committee Members

Izumi Kuwano (Born August 1, 1964)

Feb. 1988	Joined Tamanoyu Co., Ltd.
Apr. 1995	Senior Managing Director of Tamanoyu Co., Ltd.
Oct. 2003	Representative Director and President of Tamanoyu Co., Ltd. (current position)
June 2012	Outside Director of The Oita Bank, Ltd.
June 2014	Director of Kyushu Railway Company (part-time)
June 2022	Assumed office as Outside Director of the Company (current position)

Akio Sato (Born December 20, 1950)

Oct. 1979	Joined Shinko Audit Corporation
Mar. 1983	Registered as a certified public accountant
June 2007	Joined Shin Nihon & Co. (currently, Ernst & Young ShinNihon LLC)
June 2008	Chief Representative of Akio Sato Accounting Office (current position)
June 2017	Assumed office as Outside Audit & Supervisory Board Member of the Company
June 2019	Assumed office as Outside Director of the Company (current position)

Akinobu Naito (Born December 12, 1948)

Apr. 1971	Joined Mitsubishi Corporation
July 1998	President of CALIFORNIA OILS CORP.
June 2002	Representative Director and President of KOKUSAI BULK TERMINAL CO., LTD.
June 2009	Counselor of KOKUSAI BULK TERMINAL CO., LTD.
June 2011	Assumed office as Outside Director of the Company (current position)

- \* There is no special interest between any of the three above Independent Committee Members and the Company.
- \* The Company has submitted notification to the Tokyo Stock Exchange that the above three Independent Committee Members have been designated as independent officers as provided for by the aforementioned exchange.

Status of Shareholdings by Major Shareholders of the Company

## List of Major Shareholders

As of March 31, 2023

Shareholder name	Number of shares held (thousands)	Ratio of voting rights (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,861	9.05
Maruzen Shoji Co., Ltd.	1,645	8.01
Meiji Yasuda Life Insurance Company	1,219	5.93
Custody Bank of Japan, Ltd. (Trust Account)	1,001	4.87
The Bank of Yokohama, Ltd.	903	4.39
Maruzen Showa Unyu Business Partner Stock Ownership Association	865	4.21
Mitsubishi UFJ Trust and Banking Corporation	653	3.18
YOKOHAMA SHINKO Co., Ltd.	441	2.14
Nippon Life Insurance Company	402	1.95
BNP PARIBAS LUXEMBOURG/2S/ JASDEC/ABERDEEN STANDARD SICAV I CLIENT ASSETS	351	1.70

Types of Purchase, etc. Deemed to Significantly Harm the Corporate Value of the Company and Shareholders’  
Common Interests

1. Cases when it is judged that despite having no intention of truly participating in corporate management, the Purchaser, etc. is acquiring, or attempting to acquire, the Company’s shares, etc. in order simply to increase the share price and make the Company or its related parties buy back the Company’s shares, etc. at a high price (a so-called green mailer);
2. Cases when it is judged that the Company’s shares, etc. are being acquired in order to take temporary control of the corporate management of the Company and transfer to the Purchaser, etc. or its group companies, etc., assets of the Company or companies in the Group that are necessary for the management of the businesses of the Company or companies in the Group, such as intellectual property rights, expertise, confidential corporate information, main business partners or clients;
3. Cases when it is judged that the Company’s shares, etc. are being acquired in order to take control of the corporate management of the Company and subsequently use the assets of the Company or companies in the Group as collateral or repayment funds for the liabilities of the Purchaser, etc. or its group companies, etc.;
4. Cases when it is judged that the Company’s shares, etc. are being acquired in order to take temporary control of the corporate management of the Company, cause the Company to sell or otherwise dispose of highly valued assets, etc. that are not immediately related to the businesses of the Company or companies in the Group, such as real estate or marketable securities, and use the profits from the disposal to cause the Company to pay a one-time high dividend, or alternatively to take advantage of the sudden increase in the share price caused by the one-time high dividend to sell the Company’s shares, etc. at a high price;
5. Cases when it is judged that the method of purchase of the Company’s shares, etc. proposed by the Purchaser, etc. will restrict shareholders’ opportunity to make an assessment or freedom, and may effectively force shareholders to sell the Company’s shares, etc., such as a so-called two-tier coercive purchase (refers to the conducting of a purchase, etc. of shares, etc. by a tender offer or other methods, whereby the Purchaser, etc. does not solicit all of the Company’s shares, etc. for purchase in the initial purchase, and sets unfavorable purchase terms for the second stage, or does not make the terms clear).
6. Cases when it is judged that the purchase terms for the Company’s shares, etc. proposed by the Purchaser, etc. (including but not limited to the type or amount of consideration for the purchase, the calculation basis for the amount, any other specific details of the terms (including the timing and method of the acquisition), and the legality and feasibility of the purchase, etc.) are considerably insufficient or inappropriate in view of the corporate value of the Company;
7. Cases when it is judged there is a risk that the purchase, etc. will significantly hinder the securing and enhancement of the corporate value of the Company and shareholders’ common interests, such as when the acquisition of control by the Purchaser, etc. will destroy relationships with the Company’s shareholders and customers, employees, and other stakeholders that are the sources of corporate value, and significant damage to the corporate value of the Company and shareholders’ common interests is expected;
8. Cases when it is judged that the corporate value of the Company in the event that the Purchaser, etc. acquires control would be significantly inferior to the corporate value of the Company in the event that the Purchaser, etc. does not acquire control, in a comparison of future corporate value over the medium to long term.
9. Cases when it is judged that it would be extremely inappropriate as a controlling shareholder of the Company from the perspective of public order and standards of decency.
10. Other cases when it is judged to significantly harm the corporate value of the Company and shareholders’ common interests according to items 1. through 9. above.

Overview of the Gratis Allotment of Stock Acquisition Rights

1. Total Number of the Stock Acquisition Rights to be Allotted  
The total number of Stock Acquisition Rights to be allotted shall be a number separately determined in the resolution of the Board of Directors relating to the gratis allotment of the Stock Acquisition Rights (hereinafter, the “Stock Acquisition Rights Gratis Allotment Resolution”), of a maximum of the same amount of the final total number of shares of the Company outstanding (however, this shall exclude the number of the Company’s shares held by the Company at that point) on a certain day separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution (hereinafter, the “Allotment Date”).
2. Shareholders eligible for allotment  
The Company shall make a gratis allotment of the Stock Acquisition Rights at a ratio separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution of up to one stock acquisition rights per share of common stock of the Company held (however, this shall exclude shares in the Company held by the Company at that time) to shareholders recorded in the final shareholder register on the Allotment Date.
3. Effective date of the gratis allotment of Stock Acquisition Rights  
The effective date shall be a date separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution.
4. Type and Number of Shares Underlying the Stock Acquisition Rights  
The type of shares underlying the Stock Acquisition Rights shall be the common stock of the Company, and the number of shares underlying each of the Stock Acquisition Rights shall be a number separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution of up to one share per stock acquisition right (hereinafter, the “Applicable Number of Shares”). However, if the Company shall make the necessary adjustments if it conducts a share split or consolidation of shares, etc.
5. Details and Amount of Assets to be Contributed Upon Exercise of the Stock Acquisition Rights  
Contributions upon the exercise of the Stock Acquisition Rights shall be in cash, and the amount of assets to be contributed per share of common stock in the Company upon the exercise of the Stock Acquisition Rights shall be an amount separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution, of one yen or more.
6. Restrictions on the Transfer of the Stock Acquisition Rights  
Any transfer of the Stock Acquisition Rights shall require the approval of the Board of Directors of the Company.
7. Conditions for exercising the Stock Acquisition Rights  
The following persons shall not be able to exercise the Stock Acquisition Rights: (1) specified large-scale holders<sup>11</sup>; (2) joint holders of specified large-scale holders; (3) specified large-scale purchasers<sup>12</sup>; (4) specially related parties of specified large-scale purchasers; and (5) any transferee or successor to the Stock Acquisition Rights from a person falling under any of the categories (1) through (4) without the permission of the Board of Directors of the Company; and (6) any related person<sup>13</sup> to persons falling under any of the categories (1) through (5) (hereinafter, collectively referred to as “Non-qualified Parties”). Furthermore, details of the conditions for exercising the Stock Acquisition Rights shall be separately determined in the Stock Acquisition Rights Gratis Allotment Resolution.
8. Acquisition of the Stock Acquisition Rights by the Company  
The Company may acquire the Stock Acquisition Rights held by persons other than Non-qualified Parties on a day separately determined by the Board of Directors of the Company, and in exchange deliver the Applicable Number of Shares of common stock of the Company for each of the Stock Acquisition Rights. In the event that the Company acquires the Stock Acquisition Rights held by the Non-qualified Parties, no cash or other



consideration will be delivered in exchange as consideration thereof. Details of the acquisition terms of the Stock Acquisition Rights shall be separately determined in the Stock Acquisition Rights Gratis Allotment Resolution.

9. Acquisition without Consideration in Case of Suspension of the Activation of Countermeasures, etc.  
The Company may acquire all of the Stock Acquisition Rights without consideration if the Board of Directors of the Company suspends the activation of countermeasures, or in other cases separately defined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution.
10. Exercise Period of the Stock Acquisition Rights, etc.  
The exercise period of the Stock Acquisition Rights and other necessary matters shall be separately determined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution.

(Note 11) Refers to a holder of shares, etc. issued by the Company, with an ownership ratio of shares, etc. in relation to these shares, etc. is 20% or more, or a person to whom this is deemed to apply by the Board of Directors of the Company. However, this shall not apply to persons whom the Board of Directors of the Company recognizes will not harm the corporate value of the Company and shareholders' common interests by acquiring and holding the Company's shares, etc., and any other persons separately defined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution.

(Note 12) Refers to a person who has made a public announcement to the effect that he or she will conduct a purchase, etc. (refers to a purchase, etc. as defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act; hereinafter the same applies in this note) of shares, etc. (refers to shares, etc. as defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act; hereinafter the same applies in this note) issued by the Company by tender offer, and whose total ownership ratio of shares, etc. in relation to shares, etc. held (equivalent actions shall include those defined in Article 7, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act) by that person after the purchase, etc. together with the ownership ratio of shares, etc. of any specially related parties of that person shall be 20% or more, or a person to whom this is deemed to apply by the Board of Directors of the Company. However, this shall not apply to persons whom the Board of Directors of the Company recognizes will not harm the corporate value of the Company and shareholders' common interests by acquiring and holding the Company's shares, etc., and any other persons separately defined by the Board of Directors of the Company in the Stock Acquisition Rights Gratis Allotment Resolution.

(Note 13) A person's "related persons" are those who effectively control that person, who are controlled by that person, or who are under the same control as that person (included persons to whom this is deemed to apply by the Board of Directors of the Company), or alternatively, persons whom the Board of Directors of the Company have recognized as acting in concert with that person. Furthermore, "control" refers to "controls decisions on the financial and business policies" of another company, etc. (referring to cases defined in Article 3, paragraph (3) of the Ordinance for Enforcement of the Companies Act).