

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

(Securities code 7637)

June 7, 2023

To our shareholders

President and representative Koji Tsunoda

**Hakudo Co., Ltd.**

2-5-2, Marunouchi, Chiyoda-ku, Tokyo, Japan

## Notice of the 74th Annual General Meeting of Shareholders

It is a pleasure to inform you that the 74th Annual General Meeting of Shareholders of Hakudo Co., Ltd. (the “Company”) will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters subject to measures for electronic provision). This information is posted on each of the following websites, so please access either of those websites to confirm the information.

[The Company’s website]

<https://www.hakudo.co.jp/financial/sou.html> (in Japanese)

(Please access the above website to confirm the information.)

In addition, apart from the Company’s website, matters subject to measures for electronic provision are also posted on the website of the Tokyo Stock Exchange (TSE). Please refer to the following.

[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 “Hakudo Co., Ltd.” in “Issue name (company name)” or the Company’s securities code “7637” in “Code,” and click “Search.” Then, click “Basic information” followed by “Documents for public inspection/PR information” to find the “Notice of General Shareholders Meeting/Information Materials for a General Shareholder Meeting” under “Filed information available for public inspection.”)

If you are unable to attend the meeting, you may exercise your voting rights in writing (postal mail) or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders below, and exercise your voting rights by 5:30 p.m. on Tuesday, June 27, 2023 (JST).

**1. Date and Time:** Wednesday, June 28, 2023, at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)

**2. Venue:** Conference Square M+ Grand Room  
10F Mitsubishi Building, 2-5-2 Marunouchi, Chiyoda-ku, Tokyo  
(Please refer to the venue map at the end of this Notice.)

**3. Meeting Agenda:**

**Items to be reported:**

1. The 74th Fiscal Year (April 1, 2022, to March 31, 2023)  
The Business Report, Consolidated Financial Statements, and Audit Results of Consolidated Financial Statements by Financial Auditor and the Audit and Supervisory Committee
2. The 74th Fiscal Year (April 1, 2022, to March 31, 2023)  
Non-consolidated Financial Statements

**Items to be resolved:**

- Proposal No. 1 Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 2 Election of Four Directors Who Are Audit and Supervisory Committee members
- Proposal No. 3 Payment of Bonuses to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 4 Payment of Bonuses to Directors Who Are Audit and Supervisory Committee Members

[The Exercise of Voting Rights]

- When exercising your voting right in writing (by postal mail), if you indicate neither your approval nor disapproval of the proposal(s) on the Voting Form, it will be deemed that you indicated your approval of the proposal(s).
- If you exercise your voting rights redundantly in writing and via the Internet, the Company will regard the vote exercised via the Internet as valid.
- If you exercise your voting rights more than once via the Internet, the Company will regard the last vote as valid.

- When you attend the meeting in person, please submit the Voting Form to the reception at the venue.
- For this general meeting of shareholders, paper-based documents stating matters subject to measures for electronic provision will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents. However, please note that the following items are excluded based on the laws and regulations and provision of Article 15 of the Company's Articles of Incorporation.
  - Notes to Consolidated Financial Statements
  - Notes to Non-consolidated Financial StatementsAccordingly, the consolidated financial statements and non-consolidated financial statements described in these documents are part of the documents audited by the financial auditor and the Audit and supervisory committee in the course of preparing the Accounting Audit Report and 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 Company's aforementioned website and the TSE website.
- Please note that we will attend the Meeting in "Cool Biz" style with no necktie (casual business attire).

## Reference Documents for the General Meeting of Shareholders

### **Proposal No. 1** 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) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of five Directors (excluding Directors who are Audit and Supervisory Committee Members).

For reference, the Audit and supervisory committee has considered this proposal and expressed no opinion on it.

Candidates for the role of Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name		Current Position	Number of Board of Directors meetings attended
1	Koji Tsunoda	Reelection	President and representative	13 out of 13 meetings (100%)
2	Tetsuya Yamada	Reelection	Senior Managing Director	13 out of 13 meetings (100%)
3	Mitsushige Yamada	Reelection	Managing Director	13 out of 13 meetings (100%)
4	Junichi Furukawa	Reelection Outside Independent	Director	13 out of 13 meetings (100%)
5	Masatoshi Ishimoto	Reelection Outside Independent	Director	13 out of 13 meetings (100%)

Reelection represents candidate for Director to be reelected

Outside represents candidate for outside Director

Independent represents independent officer as defined by the securities exchange, etc.

Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
1	<p>Koji Tsunoda August 15, 1962</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u></p>	<p>Apr. 1986      Joined Tokyo Express Co., Ltd.</p> <p>July 1986      Joined Hakudo Co., Ltd. (Kousei Co., Ltd.)</p> <p>May 2001      General Manager of Central Branch Office of the Company</p> <p>Apr. 2002      General Manager of Corporate Planning Department</p> <p>Dec. 2002      General Manager of China Department</p> <p>Apr. 2004      Director and General Manager of Shanghai Hakudo Precision Materials Co., Ltd.</p> <p>Jan. 2009      Executive Officer and Executive General Manager of the Overseas Sales Department of the Company</p> <p>Apr. 2009      Chairman of the Board of Shanghai Hakudo Precision Materials Co., Ltd.</p> <p>Apr. 2009      Executive Officer and Executive General Manager of Development &amp; Sales Division of the Company</p> <p>Apr. 2010      Executive General Manager of Development &amp; Sales Division</p> <p>June 2010      Director and Executive General Manager of Development &amp; Sales Division</p> <p>July 2010      Director and Executive General Manager of Sales Division</p> <p>July 2011      Managing Director</p> <p>Apr. 2012      President and representative (current position)</p>	5,000 shares
<p>[Reason for election] Koji Tsunoda has played a sufficient role as President and Representative Director in making decisions on important management matters and supervising business execution, and we have determined that Mr. Tsunoda's continued leadership in management is optimal for the Company's sustainable growth. Accordingly, we propose his election as a Director.</p>			
2	<p>Tetsuya Yamada March 28, 1969</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u></p>	<p>Apr. 1991      Joined the Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>Aug. 1998      Joined the Company</p> <p>Apr. 1999      Manager of Eastern Purchasing Section of Eastern Branch Office</p> <p>Oct. 2005      General Manager of Atsugi Sales Office of Eastern Branch Office</p> <p>Apr. 2010      Deputy General Manager of Internal Audit Department</p> <p>June 2013      Director in charge of Administration Division</p> <p>Apr. 2016      Managing Director in charge of Standard Products Sales Division</p> <p>Feb. 2019      Director of Takase Aluminum Co., Ltd. (currently AQR Co., Ltd.) (current position)</p> <p>Apr. 2021      In charge of Special Order Products Sales Division, Shanghai Hakudo Precision Materials Co., Ltd, and Hakudo (Thailand) CO., LTD.</p> <p>Dec. 2022      Director and CEO of Hakudo USA Inc. (current position)</p> <p>Apr. 2023      Senior Managing Director in charge of Standard Products Sales Division, and Executive General Manager of Standard Products Sales Division (current position)</p>	290,000 shares
<p>[Reason for election] Tetsuya Yamada has extensive knowledge in financial relations and management and is conversant with the Company's businesses, and we have determined that Mr. Yamada is capable of contributing to the Company's sustainable growth. Accordingly, we propose his election as a Director.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
3	<p data-bbox="336 510 536 573">Mitsushige Yamada September 20, 1967</p> <p data-bbox="288 607 584 701">Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p data-bbox="384 730 488 763"><u>Reelection</u></p>	<p data-bbox="611 264 1206 327">Apr. 1991      Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="611 331 1134 394">Aug. 2002      Strategy Group of Deloitte Tohmatsu Consulting LLC</p> <p data-bbox="611 398 1206 461">Nov. 2005      Corporate Advisory Headquarters of Shinsei Bank (currently SBI Shinsei Bank, Limited)</p> <p data-bbox="611 465 1214 528">May 2008      CFO and General Manager of Administration Department of Revamp Corporation</p> <p data-bbox="611 533 1193 566">June 2008      Outside Corporate Auditor of the Company</p> <p data-bbox="611 571 1201 633">Apr. 2010      Outside Corporate Auditor of Krispy Kreme Doughnuts Japan</p> <p data-bbox="611 638 1098 672">June 2010      Outside Director of the Company</p> <p data-bbox="611 676 1182 710">June 2014      Outside Director of LIFE HAKUDO INC.</p> <p data-bbox="611 714 1233 822">Apr. 2015      Director in charge of Special Order Products Sales Division and Executive General Manager of Special Order Products Sales Division of the Company</p> <p data-bbox="611 826 1209 952">Apr. 2018      Managing Director, Director in charge of Special Order Products Sales Division, and Executive General Manager of Special Order Products Sales Division</p> <p data-bbox="611 956 1230 1019">Apr. 2019      Managing Director in charge of Manufacturing Division (current position)</p>	290,000 shares
<p data-bbox="276 1014 483 1048">[Reason for election]</p> <p data-bbox="276 1048 1390 1135">Mitsushige Yamada has extensive experience in corporate financial and sufficient insight based on his participation in management at several companies, and we have determined that Mr. Yamada is capable of contributing to the Company's sustainable growth. Accordingly, we propose his election as a Director.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
4	<p>Junichi Furukawa March 27, 1968</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u></p>	<p>Apr. 1990      Joined Asahi Mutual Life Insurance Company</p> <p>Apr. 2007      Seconded to Asahi Life Asset Management Co., Ltd. and General Manager of Planning &amp; Administration Department of Asahi Life Asset Management Co., Ltd.</p> <p>Aug. 2008      Executive General Manager of Forest Business Division of FURUKAWA RINGYO CO., LTD.</p> <p>Oct. 2009      Executive Director and Executive General Manager of Forest Business Division</p> <p>Apr. 2010      President and representative (current position)</p> <p>June 2015      Outside Director of the Company (current position)</p> <p>June 2019      Outside Director of Chuo Real Estate Co., Ltd. (currently Chuo-Nittochi Co., Ltd.) (current position)</p> <p>Apr. 2020      Outside Director of Chuo-Nittochi Group Co., Ltd. (current position)</p> <p>Mar. 2023      Outside Director of The Yokohama Rubber Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) President and representative of FURUKAWA RINGYO CO., LTD. Outside Director of The Yokohama Rubber Co., Ltd.</p>	- shares
<p>[Reason for and election and overview of expected roles]</p> <p>Junichi Furukawa has abundant managerial experience and broad insight, etc. and is conversant with sound and efficient management with a sense of balance as a manager, and we expect Mr. Furukawa to appropriately execute duties as outside Director. Accordingly, we propose his election as an outside Director. In addition, if his election is approved, we expect him to be involved in selection of the Company's executive candidates and decisions on executive remuneration, etc. from an objective and neutral standpoint as a member of the Nomination and Remuneration Advisory Committee, and also to contribute to strengthen the supervisory function regarding conflicts of interests.</p>			
5	<p>Masatoshi Ishimoto March 30, 1962</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u></p>	<p>Apr. 1984      Joined DENTSU INC.</p> <p>July 1992      Joined Eli Lilly and Company</p> <p>Apr. 1996      Joined DESCENTE LTD.</p> <p>Apr. 2002      General Manager of Corporate Planning Department</p> <p>Apr. 2006      Executive Officer and General Manager of New Business Department</p> <p>June 2008      Director in charge of Staff Division</p> <p>June 2011      Executive Director and General Manager of Staff Division</p> <p>June 2013      President</p> <p>June 2018      Outside Director of the Company (current position)</p>	5,000 shares
<p>[Reason for and election and overview of expected roles]</p> <p>Masatoshi Ishimoto has been engaged in the management of a company listed on the First Section of the Tokyo Stock Exchange for many years and has abundant managerial experience and broad insight, etc., and we expect Mr. Ishimoto to appropriately execute duties as outside Director. Accordingly, we propose his election as an outside Director. In addition, if his election is approved, we expect him to be involved in selection of the Company's executive candidates and decisions on executive remuneration, etc. from an objective and neutral standpoint as a member of the Nomination and Remuneration Advisory Committee, and also to contribute to strengthen the supervisory function regarding conflicts of interests.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Of the candidates for Director, Mr. Furukawa and Mr. Ishimoto are candidates for outside Director.
  3. The Company has registered Mr. Furukawa and Mr. Ishimoto as independent Directorss as provided for by the Tokyo Stock Exchange.

If the reelection of Mr. Furukawa and Mr. Ishimoto is approved, the Company plans for their registration as independent Directors to continue.

4. Mr. Furukawa and Mr. Ishimoto are currently outside Directors of the Company. At the conclusion of this Annual General Meeting of Shareholders, Mr. Furukawa's tenure as outside Director of the Company will have been eight years, and Mr. Ishimoto's tenure will have been five years.
5. Pursuant to the provision of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Furukawa and Mr. Ishimoto to limit their liability for damages under Article 423, paragraph (1) of the said Act. The maximum amount of liability for damages under these agreements is the amount stipulated by laws and regulations, and if their reelection is approved, the Company plans to continue such agreements.
6. The Company has not entered into indemnity agreements with each candidate for Director.
7. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses that may arise when the insured, including the Company's Directors, assumes liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. If each candidate is reelected and assumes the office as Director, they will be included as insureds in the said insurance policy. In addition, when the said insurance policy is renewed, the Company plans to renew it again with the same terms.

**Proposal No. 2** Election of Four Directors Who Are Audit and Supervisory Committee members

The terms of office of all Directors who are Audit and Supervisory Committee members (four) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of four Directors who are Audit and supervisory committee members.

This proposal has been approved by the Audit and Supervisory Committee.

Candidates for Directors who are Audit and supervisory committee members are as follows:

Candidate No.	Name		Current Position	Number of Board of Directors meetings attended
1	Hajime Nukada	Reelection Outside Independent	Director (Audit and supervisory committee member)	13 out of 13 meetings (100%)
2	Kimio Kitamura	Reelection Outside Independent	Director (Audit and supervisory committee member)	13 out of 13 meetings (100%)
3	Akiko Sueoka	Reelection Outside	Director (Audit and supervisory committee member)	13 out of 13 meetings (100%)
4	Ryuichi Iwata	New election	Special Appointive Executive General Manager to President	—

Reelection represents candidate for Director to be reelected

New election represents new candidate for Director to be elected

Outside represents candidate for outside Director

Independent represents independent officer as defined by the securities exchange, etc.



Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
1	<p>Hajime Nukada December 13, 1971</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u></p>	<p>Apr. 1994      Joined Showa Ota &amp; Co.</p> <p>Apr. 1997      Registered as a certified public accountant</p> <p>Aug. 1999      Joined KPMG Peat Marwick</p> <p>July 2000      Joined Yanagisawa &amp; Sakomoto Certified Public Accountant Office</p> <p>Apr. 2005      Corporate Auditor of Bonmax Co., Ltd.</p> <p>June 2006      Registered as a tax accountant Employee of Shinso Tax Corporation (currently, Ginza K.T.C Tax Corporation)</p> <p>Apr. 2008      Representative partner of Shinso Tax Corporation (currently, Ginza K.T.C Tax Corporation)</p> <p>June 2010      Assumed office as a Corporate auditor of the Company</p> <p>Mar. 2016      Outside Corporate Auditor of Z-Works co. jp Outside Director of the Company (Audit and supervisory committee member) (current position)</p> <p>June 2017      Representative of Nukada Certified Public Accountant Office (current position)</p> <p>Oct. 2017      Outside Corporate Auditor of Ideal Brain Co, LTD.</p> <p>Jan. 2018      (Significant concurrent positions outside the Company) Representative of Nukada Certified Public Accountant Office</p>	- shares
<p>[Reason for and election and overview of expected roles]</p> <p>Although Hajime Nukada has not been directly involved in corporate management, he is conversant with corporate finance and tax affairs as a certified public accountant and tax accountant, and therefore, has sufficient insight to advise on the Company's management, we have determined that Mr. Nukada is capable of appropriately performing the duties as outside Director who is an Audit and supervisory committee member. Accordingly, we propose his election as an outside Director. In addition, if his election is approved, we expect him to be involved in selecting the Company's executive candidates and deciding on executive remuneration, etc., from an objective and neutral standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			
2	<p>Kimio Kitamura January 10, 1952</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p><u>Reelection</u> <u>Outside</u> <u>Independent</u></p>	<p>Apr. 1975      Joined ITOCHU Corporation</p> <p>Apr. 2007      Executive Officer, Deputy General Manager of the Finance Division, and CFO Office</p> <p>May 2007      Executive Officer and General Manager of the Finance Division</p> <p>Apr. 2010      Managing Executive Officer and General Manager of Finance Division</p> <p>May 2014      Managing Executive Officer of FamilyMart Co., Ltd., Managing Executive Officer and General Manager of Management Division, Supervisor of Finance and Accounting Division</p> <p>May 2015      Director, Managing Executive Officer and General Manager of Management Division</p> <p>May 2016      Advisor</p> <p>June 2017      Outside Director of the Company (Audit and supervisory committee member) (current position)</p>	- shares
<p>[Reason for and election and overview of expected roles]</p> <p>Kimio Kitamura has abundant experience and global and broad insight as a manager, and we have determined that he can use his expertise and insight for the benefit of the Company's management as an outside Director who is an Audit and supervisory committee member. Accordingly, we propose his election as an outside Director. In addition, if his election is approved, we expect him to be involved in selecting the Company's executive candidates and deciding on executive remuneration, etc., from an objective and neutral standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
3	<p style="text-align: center;">Akiko Sueoka October 31, 1971</p> <p>Number of Board of Directors meetings attended 13 out of 13 meetings (100%)</p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">Outside</span></p>	<p>Apr. 1994      Joined Ministry of Health and Welfare (currently Ministry of Health, Labor and Welfare)</p> <p>Apr. 2000      Admitted to the Tokyo Bar Association Joined Mori Sogo Law Offices (currently Mori Hamada &amp; Matsumoto)</p> <p>June 2003      Graduated from Harvard Law School (L.L.M.)</p> <p>Sept. 2003      Seconded to the New York office of Simpson Thacher &amp; Bartlett LLP</p> <p>Oct. 2004      Seconded to Rome office of Pavia e Ansaldo</p> <p>July 2005      Seconded to Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>Jan. 2009      Partner, Mori Hamada &amp; Matsumoto (current position)</p> <p>June 2019      Outside Director of the Company (Audit and supervisory committee member) (current position)</p> <p>June 2020      Outside Auditor of Japan Investment Corporation (current position)</p> <p>Sept. 2021      Member of the Expert Committee for System Design under the Electricity and Gas Market Surveillance Commission, Ministry of Economy, Trade and Industry (current position)</p> <p>Nov. 2021      Member of Tokyo Metropolitan Pharmaceutical Affairs Council (current position)</p> <p>June 2022      Outside Auditor of Change Inc. (currently CHANGE Holdings, Inc.) (current position)</p> <p>Jan. 2023      Member of Pharmaceutical Affairs Council, Pharmaceutical Affairs and Food Sanitation Council, Ministry of Health, Labour and Welfare (current position)</p> <p>Member of the Second Committee on New Drugs, Pharmaceutical Affairs Council, Pharmaceutical Affairs and Food Sanitation Council, Ministry of Health, Labour and Welfare (current position)</p> <p>Member of Subcommittee on Medical Devices and In-Vitro Diagnostic Reagents, Pharmaceutical Affairs and Food Sanitation Council, Ministry of Health, Labour and Welfare (current position)</p> <p>Investigator of SaMD Investigation Commission, Subcommittee on Medical Devices and In-Vitro Diagnostic Reagents, Pharmaceutical Affairs and Food Sanitation Council, Ministry of Health, Labour and Welfare (current position)</p> <p>Feb. 2023      Member of Study Group on Distribution Systems for Pharmaceuticals, Ministry of Health, Labour and Welfare (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Partner, Mori Hamada &amp; Matsumoto Outside Auditor of Japan Investment Corporation Outside Auditor of CHANGE Holdings, Inc.</p>	- shares

Candidate No.	Name (Date of Birth)	Career Summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's Shares Owned
		[Reason for and election and overview of expected roles] Although Akiko Sueoka has not been directly involved in corporate management, she has sufficient insight to advise Company's management based on her extensive experience and broad knowledge gained from her many years of career as a lawyer, and we have determined that she is capable of contributing to the improvement of the Company's corporate governance as an outside Director who is an Audit and supervisory committee member. Accordingly, we propose her election as an outside Director. In addition, if her election is approved, we expect her to be involved in selecting the Company's executive candidates and deciding on executive remuneration, etc., from an objective and neutral standpoint as a member of the Nomination and Remuneration Advisory Committee.	
4	Ryuichi Iwata February 17, 1962  Number of Board of Directors meetings attended -  <u>New election</u>	Apr. 1985      Joined Naniwa Co., Ltd. (currently Xanax Corporation) Sept. 1990      Joined Hakudo Co., Ltd. (Kousei Co., Ltd.) Apr. 2006      General Manager of Western Branch Office of the Company Apr. 2008      Executive Officer and General Manager of Western Branch Office Apr. 2009      Executive Officer, Executive General Manager of Inventory Products Sales Division and General Manager of Eastern Branch Office July 2010      General Manager of Internal Audit Department June 2011      Corporate auditor July 2012      General Manager of West Japan Business Department Apr. 2013      General Manager of East Japan Business Department Oct. 2013      Executive General Manager of Sales Division and General Manager of the East Japan Sales Department Apr. 2015      Executive General Manager of Standard Products Sales Division and General Manager of the East Japan Sales Department Feb. 2019      President and representative of Takase Aluminum Co., Ltd. (currently AQR Co., Ltd.) Nov. 2021      Executive General Manager of Standard Products Sales Division and General Manager of the West Japan Sales Department of the Company Apr. 2022      Executive General Manager of Standard Products Sales Division Apr. 2023      Special Appointive Executive General Manager to President (current position)	2,000 shares
		[Reason for election] Ryuichi Iwata has abundant experience in the Company's business and we expect him to contribute to making fair and equitable decisions and ensuring the soundness of the Company's business as a Director who is an Audit and supervisory committee member. Accordingly, we propose his election as a Director.	

- (Notes)
1. Ryuichi Iwata is a new candidate for Director.
  2. There is no special interest between any of the candidates and the Company.
  3. Of the candidates for Directors who are Audit and supervisory committee members, Mr. Nukada, Mr. Kitamura, and Ms. Sueoka are candidates for outside Director.
  4. The Company has registered Mr. Nukada and Mr. Kitamura as independent officers as provided for by the Tokyo Stock Exchange. If reelection of Mr. Nukada and Mr. Kitamura is approved, the Company intends for them to continue acting as independent officers.
  5. Mr. Nukada, Mr. Kitamura, and Ms. Sueoka are currently outside Directors of the Company. At the conclusion of this Annual General Meeting of Shareholders, Mr. Nukada's tenure as outside Director of the Company will have been six years, Mr. Kitamura's tenure will have been six years, and Ms. Sueoka's tenure will have been four years,
  6. Ms. Akiko Sueoka serves as an Outside Auditor of CHANGE Holdings, Inc. However, she is scheduled to retire from that position at the conclusion of the 21st Ordinary General Meeting of Shareholders of the said company scheduled to be held in June 2023.

7. Pursuant to the provision of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Nukada, Mr. Kitamura, and Ms. Sueoka to limit their liability for damages under Article 423, paragraph (1) of the said Act. The maximum amount of liability for damages under these agreements is the amount stipulated by laws and regulations, and if their reelection is approved, the Company plans to continue such agreements.
8. The Company has not entered into indemnity agreements with each candidate for Director who is an Audit and supervisory committee member.
9. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses that may arise when the insured, including the Company's Directors who are Audit and supervisory committee members, assumes liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. If each candidate is reelected and assumes the office as Director who is an Audit and supervisory committee member, they will be included as insureds in the said insurance policy. In addition, when the said insurance policy is renewed, the Company plans to renew it again with the same terms.

**Proposal No. 3** Payment of Bonuses to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The Company proposes to pay a total of ¥118 million in bonuses to three Directors (excluding Directors who are Audit and supervisory committee members and outside Directors) as of the end of the fiscal year under review, taking into consideration the amount previously paid and the Company's business results during the fiscal year under review.

The Company requests that the amount to be paid to each Director be left to the discretion of the Board of Directors. In addition, decision policies pertaining to the contents of remuneration, etc., to each Director of the Company is as described on page 28-31 of the Business Report (in Japanese only).

This proposal was decided by the Board of Directors following deliberation by the Nomination and Remuneration Advisory Committee while comprehensively taking into account the Company's business results and each Director's performance, and is in line with the above decision policies, and is therefore considered appropriate.

For reference, the Audit and supervisory committee has considered this proposal and expressed no opinion on it.

**Proposal No. 4** Payment of Bonuses to Directors Who Are Audit and Supervisory Committee Members

The Company proposes to pay a total of ¥6 million in bonuses to one Director who is an Audit and supervisory committee member (excluding outside Director) as of the end of the fiscal year under review, taking into consideration the amount previously paid and the Company's business results during the fiscal year under review.

The Company requests that the amount to be paid to each Director who is an Audit and supervisory committee member be left to the discussions of the Directors who are Audit and supervisory committee members. In addition, decision policies pertaining to the contents of remuneration, etc., to each Director of the Company is as described on page 28-31 of the Business Report (in Japanese only).

This proposal was decided by the meeting of Directors who are Audit and supervisory committee members, while comprehensively taking into account the Company's business results and each Director's performance, and is in line with the above decision policies and is therefore considered appropriate.

[Reference]

Directors' Expertise and Experience (Skill Matrix)

• If Proposals No.1 and No. 2 are approved, the expertise and experience of each Director will be as follows:

Name	Position in the Company	Attributes*		Areas of Particular Expertise					
				Corporate Management	Financial Accounting	Legal Affairs	Risk Management	Production Technology	Global
Koji Tsunoda	President and representative			●			●	●	
Tetsuya Yamada	Senior Managing Director			●			●		●
Mitsushige Yamada	Managing Director			●				●	●
Junichi Furukawa	Director	Outside	Independent	●	●		●		
Masatoshi Ishimoto	Director	Outside	Independent	●			●		●
Hajime Nukada	Director (Audit and supervisory committee member)	Outside	Independent	●	●		●		
Kimio Kitamura	Director (Audit and supervisory committee member)	Outside	Independent	●	●				●
Akiko Sueoka	Director (Audit and supervisory committee member)	Outside				●	●		●
Ryuichi Iwata	Director (Audit and supervisory committee member, full-time)			●			●	●	

\* Outside: Outside Director, Independent: Independent Director as defined by the securities exchange, etc.

(Note) Of the expertise each Director possesses, up to three items are marked with ●, which indicates the area each Director is especially expected to contribute to.

Independence and Diversity of Directors

(Unit: persons)

Outside director(s)	5/9
Independent outside director(s)	4/9
Female director(s)	1/9