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Securities Code: 4461

To our shareholders:

June 3, 2024

YAMAJI Naoki, President COO

**DKS Co. Ltd.**

(Main Branch) 55 Nishishichijo Higashikubo-cho,  
Shimogyo-ku, Kyoto

(Headquarters) 5 Ogawara-cho, Kisshoin, Minami-ku,  
Kyoto

## **Notice of Convocation of the 160th Ordinary General Meeting of Shareholders**

We are pleased to announce the 160th Ordinary General Meeting of Shareholders of DKS Co. Ltd. (“the Company”), which will be held as described 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 shareholders meeting, etc. (matters for which measures for providing information in electronic format are to be taken). 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.dks-web.co.jp/> (in Japanese)

(From the above website, select “Investor Relations” and then “Investors Library,” and then “Shareholder’s Meetings” to confirm)

[PRONEXUS INC. dedicated website for the Company]

<https://d.sokai.jp/4461/teiji/> (in Japanese)

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 “DKS Co., Ltd.” in “Issue name (company name)” or the Company’s securities code “4461” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

**Instead of attending in person this General Meeting of Shareholders, you may exercise your voting rights beforehand either by electromagnetic means (via the Internet, etc.) or in writing. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:20 p.m., Monday, June 24, 2024 (JST).**

**1. Date and Time: Tuesday, June 25, 2024 at 10:00 a.m. (Reception will open at 9:00 a.m.) (JST)**

**2. Venue: Banquet Hall “Suzaku,” 2F, RIHGA Royal Hotel Kyoto**  
1-Taimatsu-cho, Shiokoji-sagaru, HigashiHorikawa-dori, Shimogyo-ku, Kyoto

**3. Purpose of the Meeting**

**Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 160th fiscal year (from April 1, 2023 to March 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. The Non-consolidated Financial Statements for the 160th fiscal year (from April 1, 2023 to March 31, 2024)

**Proposals to be resolved:**

- |                |   |
|----------------|---|
| Proposal No. 1 | Appropriation of Surplus                                    |
| Proposal No. 2 | Election of Six Directors                                   |
| Proposal No. 3 | Election of Three Audit & Supervisory Board Members         |
| Proposal No. 4 | Election of One Substitute Audit & Supervisory Board Member |

- Paper-based documents stating matters for which measures for providing information in electronic format are to be taken are sent to shareholders who have requested the delivery of such documents, however those documents do not state the following matters in accordance with the provisions of laws and regulations and Article 16, Paragraph 2 of the Company’s Articles of Incorporation.
  - (1) “Matters Regarding the Company’s Shares,” “Matters Regarding the Company’s Share Acquisition Rights, etc.” “Status of the Accounting Auditors,” “System to Ensure Appropriate Business Conduct and Status of Operation of the System” and “Basic Policy Regarding the Party to Control Financial and Business Policy of the Company,” of the Business Report
  - (2) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements
  - (3) “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” of the Non-consolidated Financial Statements
  - (4) “Audit Report of the Accounting Auditor of the Consolidated Financial Statements,” “Audit Report of the Accounting Auditor” and “Audit Report of the Audit & Supervisory Board” in the Audit ReportAccordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Board Members and the Accounting Auditor when they create their respective audit reports.
- If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on individual aforementioned websites.
- If there are major changes regarding the management of the meeting, we will promptly provide notice via the Company’s website (<https://www.dks-web.co.jp/>) (in Japanese only).
- Please note that on the day of the General Meeting of Shareholders, the meeting will be held with the room temperature set at a high setting, and the Company’s officers and meeting staff will be wearing light attire (“cool-biz” style).

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company believes that strengthening our business's resilience by improving productivity, developing new products and creating new businesses and improving company performance over the long term is the most important management priority. Based on such philosophy, we maintain a basic policy on dividends of maintaining long-term and stable dividends for shareholders while keeping a reasonable level of internal reserves that we deem is necessary for future business development.

The Company will pay year-end dividends for the fiscal year ended March 31, 2024, of ¥45 per share, an increase of ¥5 from ¥40 in the fiscal year ended March 31, 2023. Accordingly, including the interim dividends of ¥20 per share, the annual dividends will be ¥65 per share.

#### Year-end dividends

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property to shareholders and its aggregate amount  
¥45 per common share of the Company  
Total dividends: ¥430,647,660
- (3) Effective date of dividends of surplus  
June 26, 2024

## Proposal No. 2 Election of Six Directors

The terms of office of all eight Directors will expire at the conclusion of this Meeting. In fiscal 2024, the final year of our medium-term management plan, FELIZ 115, as a result of separating management and execution from last year, we are requesting the election of six Directors, reducing by two, including three outside Directors, for swift and strategic decision making in order to ensure absolute achievement of the Company's management policies. If this Proposal is approved as originally proposed, the Company plans to designate again three outside Directors as independent officers as stipulated by the Tokyo Stock Exchange, which makes half of the Directors of the Company independent officers.

The candidates for Director are as follows:

Candidate No.	Name		Current position in the Company
1	SAKAMOTO Takashi	Reelection	Chairman CEO
2	YAMAJI Naoki	Reelection	President COO
3	SHIMIZU Shinji	Reelection	Director
4	OKUYAMA Kikuo	Reelection Outside Independent	Director
5	HASHIMOTO Katsumi	Reelection Outside Independent	Director
6	NAKANO Hideyo	Reelection Outside Independent	Director

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
1	<b>SAKAMOTO Takashi</b> (August 9, 1947) Reelection	<p>Apr. 1970      Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.)</p> <p>Feb. 1991      Manager of Madrid Branch of The Fuji Bank, Limited</p> <p>May 1994      Manager of Nihonbashi Branch of The Fuji Bank, Limited</p> <p>Dec. 1999      Managing Director of Fuji Asset Management Co., Ltd.</p> <p>Jun. 2001      Joined the Company</p> <p>Jun. 2001      Director</p> <p>Apr. 2004      Executive General Manager in charge of Corporate Planning Headquarters</p> <p>Jun. 2004      Managing Director</p> <p>Jun. 2007      Senior Managing Director</p> <p>Jun. 2011      Representative Vice President</p> <p>Jun. 2013      Chairman and Executive Director</p> <p>Jun. 2015      Concurrently President</p> <p>Apr. 2022      Chairman CEO (current)</p>	46,049
<p><b>Reasons for nomination as candidate for Director</b> SAKAMOTO Takashi has again been nominated as a candidate for Director because of his experience referred to above and is well versed in corporate management as Representative Director of the Company.</p>			
2	<b>YAMAJI Naoki</b> (April 13, 1964) Reelection	<p>Apr. 1991      Joined the Company</p> <p>Apr. 2013      General Manager in charge of Planning Department, Yokkaichi Reorganization Division, Production Control Headquarters</p> <p>Apr. 2014      General Manager of COO Office</p> <p>Apr. 2015      Executive General Manager of Plastic Materials Business Division, Business Headquarters</p> <p>Apr. 2016      Concurrently in charge of Tokyo Headquarters</p> <p>Apr. 2017      Executive General Manager in charge of Corporate Planning Headquarters</p> <p>Jun. 2017      Director and in charge of Personnel &amp; General Affairs Headquarters</p> <p>Apr. 2018      Concurrently in charge of Production Control Headquarters</p> <p>Apr. 2020      Managing Director Administrative Supervisor</p> <p>Apr. 2021      R&amp;D Supervisor</p> <p>Apr. 2022      President COO (current)</p>	17,123
<p><b>Reasons for nomination as candidate for Director</b> YAMAJI Naoki has again been nominated as a candidate for Director because of his experience referred to above and the wealth of experience and wide-ranging knowledge he has in sales, R&amp;D, administration and planning, etc., and is well versed in corporate management as Representative Director of the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
3	<b>SHIMIZU Shinji</b> (October 9, 1973) Reelection	<p>Apr. 1992      Joined the Company</p> <p>Apr. 2014      General Manager of Personnel &amp; General Affairs Department, Personnel &amp; General Affairs Division</p> <p>Apr. 2016      General Manager of Shuang Yi Li (Tianjin) New Energy Co., Ltd.</p> <p>Apr. 2018      Board Director of Shuang Yi Li (Tianjin) New Energy Co., Ltd.</p> <p>Jun. 2019      General Manager of Financial Division, Financial Headquarters</p> <p>Apr. 2020      Executive Officer Executive General Manager in charge of Production Headquarters</p> <p>Apr. 2022      Administrative Supervisor</p> <p>Jun. 2022      Director (current)</p>	6,456
<p><b>Reasons for nomination as candidate for Director</b></p> <p>SHIMIZU Shinji has again been nominated as a candidate for Director because of his experience referred to above and the wealth of experience and knowledge he has in administration and planning, production, management of overseas subsidiaries, etc.</p>			
4	<b>OKUYAMA Kikuo</b> (June 1, 1948) Reelection Outside Independent	<p>Oct. 1990      Professor of Department of Chemical Engineering, Cluster 3, Faculty of Engineering of Hiroshima University</p> <p>Apr. 2001      Professor of Department of Chemical Engineering, Graduate School of Engineering of Hiroshima University</p> <p>Apr. 2013      Professor Emeritus of Chemical Engineering of Hiroshima University (current) Special Appointment Professor of Hiroshima University</p> <p>Jun. 2017      Managing Director of Hosokawa Powder Technology Foundation</p> <p>Jun. 2021      Director of the Company (current)</p> <p>Jun. 2022      Auditor of Hosokawa Powder Technology Foundation (current)</p> <p>Jun. 2022      Vice President, The Information Center of Particle Technology, Japan (current)</p> <p>(Significant concurrent positions outside the Company) Auditor of Hosokawa Powder Technology Foundation Vice President, The Information Center of Particle Technology, Japan</p>	500
<p><b>Reasons for nomination as candidate for outside Director and expected role</b></p> <p>The candidate OKUYAMA Kikuo was engaged in research operations at a university for many years, and has particularly extensive knowledge and experience in the field of nanotechnology.</p> <p>He has played an appropriate role in overseeing business execution as an outside Director, such as by actively offering his views on the Company's R&amp;D and life science fields at Board of Director meetings.</p> <p>He is also working to bring about collaboration between industry, academia, and government organizations, and has again been nominated as a candidate for outside Director as we look forward to him contributing to the sustainable growth of the Company and improved corporate value.</p> <p>Mr. Okuyama has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director using the above experience and expertise.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
5	<p style="text-align: center;"><b>HASHIMOTO Katsumi</b> (April 5, 1958) Reelection Outside Independent</p>	<p>Apr. 1981      Joined the Osaka Regional Taxation Bureau</p> <p>Oct. 1984      Joined Asahi &amp; Co. (current KPMG AZSA LLC)</p> <p>Mar. 1987      Registered as a Certified Public Accountant</p> <p>May 2007      Representative Partner of Asahi &amp; Co. (current KPMG AZSA LLC)</p> <p>Jul. 2010      Director of Kyoto Office, KPMG AZSA LLC</p> <p>Jun. 2019      Left position at KPMG AZSA LLC</p> <p>Jul. 2019      Established Hashimoto Accounting Office as a Representative (current)</p> <p>Jun. 2020      Audit &amp; Supervisory Board Member of the Company</p> <p>Jun. 2022      Director of the Company (current)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Representative of Hashimoto Accounting Office</p>	571
<p><b>Reasons for nomination as candidate for outside Director and expected role</b></p> <p>The candidate HASHIMOTO Katsumi has accumulated a wealth of experience as a certified public accountant over many years, and has advanced, specialist knowledge of finances and accounting.</p> <p>He has been nominated again as a candidate for outside Director as we look forward to him offering helpful proposals on all aspects of management from the broad perspective, using this wealth of experience and outstanding expertise, as he has actively offered opinions on management strategies at Board of Director meetings.</p> <p>Mr. Hashimoto has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director using the above experience and expertise.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
6	<b>NAKANO Hideyo</b> (September 13, 1959) Reelection Outside Independent	<p>Nov. 1991 Vice President of Cititrust and Banking Corporation</p> <p>Oct. 1993 Senior Portfolio Manager and Head of Private Investment of Cititrust and Banking Corporation</p> <p>Jan. 2000 Director and Head of Investment Division of FuNNeX Asset Management Inc.</p> <p>Mar. 2004 Established Trias Corporation; took up position as CEO (current)</p> <p>Mar. 2020 Outside Director of OUTSOURCING Inc.</p> <p>Jun. 2021 Outside Director of HOCHIKI CORPORATION (current)</p> <p>Jun. 2022 Director of the Company (current)</p> <p>Jun. 2023 Outside Director (Audit &amp; Supervisory Committee Member) of NS TOOL CO., LTD. (current)</p> <p>(Significant concurrent positions outside the Company) CEO of Trias Corporation Outside Director of HOCHIKI CORPORATION Outside Director (Audit &amp; Supervisory Committee Member) of NS TOOL CO., LTD.</p>	389
<p><b>Reasons for nomination as candidate for outside Director and expected role</b></p> <p>The candidate NAKANO Hideyo has long been involved in investment operations at asset management companies, and has experience as a manager of an IR/PR support company seeking to find new investments. In particular, she has specialist expertise in IR/PR activities in global markets.</p> <p>She has played an appropriate role in overseeing business execution as an outside Director, such as by actively offering her views on the Company's IR activities and business strategies at Board of Director meetings.</p> <p>She has been nominated again as a candidate for outside Director as we look forward to her contributing to the sustainable growth of the Company and improved corporate value using this wealth of experience and outstanding expertise.</p>			

- (Notes)
- There is no special interest between any of the candidates for Director and the Company.
  - OKUYAMA Kikuo, HASHIMOTO Katsumi, and NAKANO Hideyo are candidates for outside Director.
  - The Company has registered OKUYAMA Kikuo, HASHIMOTO Katsumi and NAKANO Hideyo as independent officers with the Tokyo Stock Exchange Inc. If their reelection is approved, the Company again plans to treat them as independent officers.
  - OKUYAMA Kikuo, HASHIMOTO Katsumi and NAKANO Hideyo are currently outside Directors of the Company, at the conclusion of this meeting, OKUYAMA Kikuo's tenure since assuming office as outside Director of the Company will have been three years and the tenures of HASHIMOTO Katsumi and NAKANO Hideyo will have been two years.
  - The Company has entered into a liability limitation agreement with candidates for outside Director OKUYAMA Kikuo, HASHIMOTO Katsumi and NAKANO Hideyo to limit their liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act, provided that they perform their duties in good faith and without gross negligence. If their reelection is approved, the Company plans to continue such agreements with them.
  - 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, and the details are provided in the Business Report (in Japanese only). If the candidates for Director assume the office of Director, each of them will be an insured in the insurance policy. In addition, the Company plans to renew the policy with the same terms the next time of renewal.
  - NAKANO Hideyo was appointed outside director of OUTSOURCING Inc. in March 2020, and resigned from the position in March 2023. During her tenure in November 2021, improper accounting practices were discovered at OUTSOURCING's consolidated subsidiary, OUTSOURCING TECHNOLOGY Inc. Although she was not aware of these improper practices until their discovery, from a legal compliance perspective she regularly brought such matters to the attention of OUTSOURCING Inc. Board of Director meetings. Further, following the discovery of these improper



practices, she appropriately executed her duties through investigations, the identification of causes, and proposals on recurrence prevention measures.

8. The number of the Company's shares held by each candidate for Director is the number of shares held as of March 31, 2024.

### **Proposal No. 3 Election of Three Audit & Supervisory Board Members**

The terms of office of Audit & Supervisory Board Members KAWAMURA Ichiji, TAKAHASHI Toshitada and NAKA Hideya will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Audit & Supervisory Board Members including two outside Audit & Supervisory Board Members. Including the one Audit & Supervisory Board Member whose terms of office will not expire, the total number of Audit & Supervisory Board Members will become four.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Candidate No.	Name		Current position in the Company
1	FURUSAWA Yoshiyuki	New election	Senior Specialist, Internal Audit Department
2	TAKAHASHI Toshitada	Reelection Outside Independent	Audit & Supervisory Board Member
3	MIYANAGA Masayoshi	New election Outside Independent	—

Candidate No.	Name (Date of birth)	Career summary, position and significant concurrent positions outside the Company	Number of the Company's shares held
1	<b>FURUSAWA Yoshiyuki</b> (October 12, 1969) New election	<p>Apr. 1993      Joined the Company</p> <p>Apr. 2010      General Manager of Internal Audit Department</p> <p>Apr. 2013      General Manager of Financial Division, Financial Headquarters</p> <p>Apr. 2015      General Manager of Secretarial Department</p> <p>Apr. 2020      General Manager of Financial Administration Department, Administrative Headquarters</p> <p>Apr. 2021      General Manager of Life Science Business Headquarters</p> <p>Apr. 2022      General Manager of Internal Audit Department</p> <p>Apr. 2024      Senior Specialist, Internal Audit Department (current)</p>	806
<p><b>Reasons for nomination as candidate for Audit &amp; Supervisory Board Member</b> FURUSAWA Yoshiyuki has been newly nominated as a candidate for Audit &amp; Supervisory Board Member because of his experience referred to above and his wealth of experience and knowledge in the accounting, finance and auditing fields.</p>			
2	<b>TAKAHASHI Toshitada</b> (August 20, 1957) Reelection Outside Independent	<p>Apr. 1982      Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.)</p> <p>May 2004      Manager of Urawa Branch of Mizuho Bank, Ltd.</p> <p>Nov. 2005      Manager of Maebashi Branch of Mizuho Bank, Ltd.</p> <p>Apr. 2008      Manager of Shinagawa Branch of Mizuho Bank, Ltd.</p> <p>Apr. 2010      Chief Auditor, Business Audit Department of Mizuho Bank, Ltd.</p> <p>Jan. 2011      Joined UC CARD Co., Ltd.</p> <p>Feb. 2011      Managing Executive Officer of UC CARD Co. Ltd.</p> <p>Apr. 2020      Director, Managing Executive Officer of UC CARD Co. Ltd.</p> <p>Jun. 2020      Independent Outside Director Standing Audit and Supervisory Committee Member of ITmedia Inc. (current)</p> <p>Jun. 2020      Audit &amp; Supervisory Board Member of the Company (current)</p> <p>(Significant concurrent positions outside the Company) Independent Outside Director Standing Audit and Supervisory Committee Member of ITmedia Inc.</p>	571
<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</b> The candidate TAKAHASHI Toshitada has again been nominated as a candidate for outside Audit &amp; Supervisory Board Member because of his experience referred to above and the wealth of accounting and financial experience in the financial industry, and because he is currently engaged in the auditing operations of an IT company and has adequate knowledge and experience in auditing of corporate operations.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and significant concurrent positions outside the Company	Number of the Company's shares held
3	<b>MIYANAGA Masayoshi</b> (June 3, 1958) New election Outside Independent	<p>Apr. 1981      Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p>Feb. 1990      Temporarily Served as an Investment Advisor of The Nippon Credit Bank, Ltd.</p> <p>Oct. 1991      Dispatched to Nippon Credit Gartmore Ltd. (UK)</p> <p>Apr. 1995      Joined Schroder Investment Management (Japan) Limited</p> <p>Apr. 2000      Director of Schroder Investment Management (Japan) Limited</p> <p>Jan. 2001      Joined Prudential Asset Management Japan Co., Ltd. (currently PGIM Japan Co., Ltd.) Chief Investment Officer in charge of Stock Investment</p> <p>Nov. 2003      Joined IRB, Inc. (currently FALCON Research &amp; Consulting Ltd.) Co-Representative Partner</p> <p>Nov. 2011      Representative Director of IRB Inc.</p> <p>Apr. 2017      Director of FALCON Research &amp; Consulting Ltd. (current)</p> <p>Apr. 2017      Professor of Graduate School of Innovation Studies (currently Graduate School of Management) of Tokyo University of Science</p> <p>Jun. 2017      Outside Director of Universal Entertainment Corporation (current)</p> <p>Apr. 2023      Specially Appointed Professor of Chuo Business School (current)</p> <p>Jun. 2023      Outside Director of S.T. CORPORATION (current)</p> <p>(Significant concurrent positions outside the Company) Director of FALCON Research &amp; Consulting Ltd. Outside Director of Universal Entertainment Corporation Specially Appointed Professor of Chuo Business School Outside Director of S.T. CORPORATION</p>	200
<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</b></p> <p>The candidate MIYANAGA Masayoshi has been newly nominated as a candidate for outside Audit &amp; Supervisory Board Member because of his experience in business management and academic knowledge in the areas of corporate valuation, corporate finance and ESG management accumulated as a university professor.</p>			

- (Notes)
1. There is no special interest between each candidate for Audit & Supervisory Board Member and the Company.
  2. FURUSAWA Yoshiyuki and MIYANAGA Masayoshi are new candidates.
  3. TAKAHASHI Toshitada and MIYANAGA Masayoshi are candidates for outside Audit & Supervisory Board Member.
  4. The Company has registered TAKAHASHI Toshitada as an independent officer with the Tokyo Stock Exchange Inc. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.
  5. If MIYANAGA Masayoshi's election is approved, the Company plans to register him as an independent officer with the Tokyo Stock Exchange Inc.
  6. TAKAHASHI Toshitada is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as outside Audit & Supervisory Board Member will have been four years.
  7. The Company has entered into a liability limitation agreement with the candidate for outside Audit & Supervisory Board Member TAKAHASHI Toshitada to limit his liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act, provided that he performs his duties in good faith and without gross negligence. If his reelection is approved, the Company plans to continue said

agreement with him. In addition, if MIYANAGA Masayoshi's election is approved, then the Company plans to newly enter into the same liability limitation agreement with the above details with him.

8. 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, and the details are provided in the Business Report (in Japanese only). If each candidate for Audit & Supervisory Board Member is elected and assume the office of Audit & Supervisory Board Member, they will be the insured in the insurance policy. In addition, the Company plans to renew the policy with the same terms the next time of renewal.
9. The number of the Company's shares held by each candidate for Audit & Supervisory Board Member is the number of shares held as of March 31, 2024.

**Proposal No. 4 Election of One Substitute Audit & Supervisory Board Member**

The effective term of the appointment of TSUKAMOTO Hidenobu as substitute Audit & Supervisory Board Member expires at the start of this General Meeting of Shareholders. Therefore, in order to prepare for cases where there is a vacancy which results in a shortfall in the number of Audit & Supervisory Board Members stipulated in laws and regulations, the Company requests the election of one substitute for outside Audit & Supervisory Board Member. The substitute Audit & Supervisory Board Member shall assume office on condition that the number of outside Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, and according to the provisions of the Company’s Articles of Incorporation, the term of office shall be the remaining term of office of the retired Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company’s shares held
<p><b>TSUKAMOTO Hidenobu</b> (July 17, 1973)</p>	<p>Dec. 2009 Registered as an Attorney at Law (Kagoshima Bar Association) Joined Kajiki Branch of Kagoshima Chuo Law Offices</p>	0
	<p>Dec. 2012 Transfer of registration to Kyoto Bar Association Joined Tsukamoto Law Office (current)</p>	
	<p>Jun. 2013 Audit &amp; Supervisory Board Member of CAMPO HOLDINGS Co., Ltd. (current) Audit &amp; Supervisory Board Member of CAMPO Co., Ltd. (current)</p>	
	<p>Feb. 2017 Audit &amp; Supervisory Board Member of Uzumasa Driving School Co., Ltd.</p>	
<p><b>Reasons for nomination as candidate for substitute outside Audit &amp; Supervisory Board Member</b> As an attorney, the candidate TSUKAMOTO Hidenobu has expert knowledge and wealth of experience of the judicial field. Based on these deep insights and strong sense of ethics, he is expected to strengthen the management oversight functions of the Company, and to contribute to building a better governance structure, for which reason it has nominated him as a candidate for substitute Audit &amp; Supervisory Board Member. Mr. TSUKAMOTO has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Audit &amp; Supervisory Board Member based on these reasons.</p>		

- (Notes)
1. There is no special interest between the candidate for substitute Audit & Supervisory Board Member and the Company.
  2. The candidate for substitute Audit & Supervisory Board Member is a candidate for outside Audit & Supervisory Board Member.
  3. If the candidate for substitute Audit & Supervisory Board Member TSUKAMOTO Hidenobu is appointed as Audit & Supervisory Board Member, the Company plans to enter into a liability limitation agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act, provided that he performs his duties in good faith and without gross negligence.
  4. 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, and the details are provided in the Business Report (in Japanese only). If the candidate for substitute Audit & Supervisory Board Member assumes the office of Audit & Supervisory Board Member, he will be an insured in the insurance policy. In addition, the Company plans to renew the policy with the same terms the next time of renewal.
  5. If the candidate for substitute Audit & Supervisory Board Member TSUKAMOTO Hidenobu assumes the office of Audit & Supervisory Board Member, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer

[Reference] Expected Skill Matrix of Board of Directors

To undertake proper decision making and management supervision at a higher level, the Company appoints directors and Audit & Supervisory Board members taking into consideration the balance of such factors as extensive experience, performance, and expertise related to the business. In addition, the Company appoints several outside Directors and outside Audit & Supervisory Board Members who have a wealth of experience, a high degree of expertise, and a broad range of knowledge and experience in management. One or more persons with experience in finance and accounting divisions and the appropriate knowledge will be appointed as Audit & Supervisory Board Member(s).

If Proposal No. 2 and Proposal No. 3 are approved as proposed, the approach on the expected skills and areas of expertise of each officer are as follows. Up to four particularly expected items are described, and these to not indicate all of the skills and expertise of each officer.

Name of officer		Outside	Independent	Fields that Directors and Audit & Supervisory Board Members are expected to particularly contribute to					
				Corporate management	Accounting or finance or both	Legal affairs or risk management or both	Personnel or HR strategy or both	Research technology or DX or both	Business strategy or marketing or both
Chairman CEO	SAKAMOTO Takashi			●		●	●		●
President COO	YAMAJI Naoki			●			●	●	●
Director	SHIMIZU Shinji			●	●		●		●
Director	OKUYAMA Kikuo	■	■			●	●	●	●
Director	HASHIMOTO Katsumi	■	■	●	●	●			●
Director	NAKANO Hideyo	■	■	●		●	●		●
Audit & Supervisory Board Member	ONISHI Hideaki				●	●	●	●	
Audit & Supervisory Board Member	FURUSAWA Yoshiyuki				●	●	●	●	
Audit & Supervisory Board Member	TAKAHASHI Toshitada	■	■	●	●	●		●	
Audit & Supervisory Board Member	MIYANAGA Masayoshi	■	■	●	●	●			●