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Stock Exchange Code 4202  
May 28, 2026

**To Shareholders with Voting Rights:**

Yasuhiro Sakaki  
President and CEO  
Daicel Corporation  
3-1, Ofuka-cho, Kita-ku, Osaka, Japan

**NOTICE OF  
THE 160TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are hereby notified that the 160th Annual General Meeting of Shareholders of Daicel Corporation (the “Company”) will be held for the purposes described below. When convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures on the Company’s website.

The Company’s website:  
<https://www.daicel.com/en/ir/stock/shareholders-meeting/>

In addition to the website shown above, the Company also has posted matters subject to the electronic provision measures on the website of Tokyo Stock Exchange, Inc. (TSE). To view the information, please access the following TSE website (TSE Listed Company Search service), input the issue name (Daicel) or securities code (4202), and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

The TSE website (TSE Listed Company Search service):  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you will not attend the Meeting in person, you may exercise your voting rights via the Internet or in writing. Please review the “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights by 5:00 p.m. on Thursday June 18, 2026, Japan time.

- 1. Date and Time:** Friday, June 19, 2026 at 10:00 a.m. Japan time  
(Reception begins at 9:00 a.m.)
- 2. Place:** HINOKI, 2F, InterContinental Osaka, Tower C, North Wing of GRAND FRONT OSAKA located at 3-60 Ofuka-cho, Kita-ku, Osaka, Japan
- 3. Agenda:**
  - Matters to be reported:**
    1. Business Report, Consolidated Financial Statements for the Company’s 160th Fiscal Year (April 1, 2025–March 31, 2026) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 160th Fiscal Year (April 1, 2025–March 31, 2026)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Election of 11 Directors
    - Proposal 3:** Election of Three Audit & Supervisory Board Members
    - Proposal 4:** Determination of Compensation Related to the Performance-Based Stock Compensation Plan for Directors (Excluding Outside Directors)

- Should the matters subject to the electronic provision measures require revisions, the revised versions will be posted on the respective websites mentioned in this convocation notice.
- Following the implementation of the electronic information provision system for materials for the General Meeting of Shareholders in accordance with the revised Companies Act, the Company, as a rule, provides the materials on its website rather than as printed media. The Company, therefore, sends a simplified convocation notice to shareholders except those who have requested delivery of the documents. The complete set of the materials for the General Meeting of Shareholders is available on the websites mentioned in this convocation notice.
- Among the matters subject to the electronic provision measures, the following matters are not included in the documents to be delivered to shareholders who requested for delivery of documents, in accordance with relevant laws and regulations as well as provisions of the Articles of Incorporation of the Company. Audit & Supervisory Board Members and Accounting Auditors audit the documents submitted for audit, including the following.
  - (1) “Matters Regarding the Company’s Stock Acquisition Rights, etc.,” “Matters Regarding Accounting Auditors” and “Matters Regarding Establishment of a System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” in the Business Report
  - (2) “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements
  - (3) “Non-consolidated Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” of the non-Consolidated Financial Statements

Notes to the shareholders who will attend the meeting

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Our officers and operation staff will wear light clothing (“cool biz”) at the meeting, so we encourage shareholders to also wear light clothing if they wish.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

Concerning the appropriation of surplus, the Company proposes as follows:  
Matters concerning the year-end dividends.

The Company's basic dividend policy is to distribute profits in a balanced manner, taking into comprehensive consideration maximizing asset efficiency and realizing optimal capital structure, ensuring financial soundness in order to maintain fund raising capacity, and stable dividends reflecting the consolidated business performance.

Internal reserves will be applied to investment in business expansion and reinforcement of highly profitable business structures, such as R&D for new business development and strengthening of existing businesses, new construction and extension of facilities, and efficiency improvement measures. Through future business development, we will strive for a growing benefit to our shareholders.

Starting from the fiscal year 2024, in order to clearly demonstrate our commitment to stable dividends, we have introduced the Dividend on equity ratio (DOE) as a new indicator, in addition to the payout ratio, aiming for a DOE of 4% or more for dividends, we have targeted a shareholder return ratio of 40% or more for each fiscal year, combining the amount of dividends with the amount of flexible acquisition..

Based on the policy mentioned above, the year-end dividend for the fiscal year under review will be 30 yen per share.

- (1) Type of dividend property  
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof  
30 yen per share of common stock of the Company  
Total amount: 7,661,814,690 yen  
(Note) The annual dividends for the fiscal year under review will be 60 yen per share including the interim dividends.
- (3) Effective date of distribution of surplus  
June 22, 2026

**Proposal 2:** Election of 11 Directors

The terms of office of all 11 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of 11 Directors.

The candidates for Directors are as follows:

No.	Name	Current Positions and Responsibilities at the Company		Attendance Rate at the Board of Directors meetings
1	Yoshimi Ogawa	Chairperson of the Board, and Member of the Nomination and Compensation Committee.	Reappointment	100% (15 out of 15 meetings)
2	Yasuhiro Sakaki	President and CEO, President, Member of the Nomination and Compensation Committee, Oversight of Corporate Planning & Strategy Office, Responsible for Executive Office, Responsible for Life Sciences Business Incubation Office and Responsible for Institute of Human-oriented Management	Reappointment	100% (15 out of 15 meetings)
3	Kotaro Sugimoto	Representative Director, Senior Managing Executive Officer, Member of the Nomination and Compensation Committee, General Manager of Corporate Support Headquarters, Responsible for Corporate Compliance Program, Responsible for Corporate Sustainability, Responsible for Digital Strategy Center and Oversight of Material SBU	Reappointment	100% (15 out of 15 meetings)
4	Toshio Shiwaku	Director, Senior Managing Executive Officer, General Manager of Assessment Headquarters, General Manager of R&D Headquarters and Responsible for Intellectual Property Center	Reappointment	100% (15 out of 15 meetings)
5	Naotaka Kawaguchi	Director, Senior Managing Executive Officer, General Manager of Production Management Headquarters, Responsible for Engineering Center, Responsible for Safety and Quality Assurance Headquarters and Responsible for Process Technology Headquarters and Oversight of Safety SBU	Reappointment	100% (15 out of 15 meetings)
6	Toshio Asano	Director and Chairperson of the Nomination and Compensation Committee	Reappointment Outside Independent	100% (15 out of 15 meetings)
7	Yuriya Komatsu	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent	100% (15 out of 15 meetings)
8	Mari Okajima	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent	100% (15 out of 15 meetings)
9	Keita Nishiyama	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent	100% (15 out of 15 meetings)
10	Seiji Kito	Director and Member of the Nomination and Compensation Committee	Reappointment Outside Independent	91% (11 out of 12 meetings)
11	Sayu Ueno	-	New Appointment Outside	-

(Note) The attendance of Mr. Seiji Kito at Board of Directors meetings covers only their attendance at the meetings held after their appointment on June 20, 2025.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<p data-bbox="209 663 392 719">Yoshimi Ogawa (January 8, 1960)</p> <p data-bbox="220 748 381 781"><u>Reappointment</u></p> <p data-bbox="193 815 408 994">Tenure as Director 15 years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p data-bbox="427 282 1262 647">           April 1983      Joined the Company            June 2000      Head of Production Innovation Center, Production Technology                                     Headquarters of the Company            April 2002      Head of Business Process Innovation of the Company            June 2006      Executive Officer of the Company            June 2011      Director of the Company            June 2013      Managing Executive Officer of the Company            June 2017      Senior Managing Executive Officer of the Company            June 2019      President and CEO of the Company                                     President of the Company            April 2021      Responsible for Research Center of the Company                                     Executive Consultant of Polyplastics Co., Ltd.            April 2022      Responsible for Advanced Materials &amp; Packaging Institute of the                                     Company                                     Responsible for Life Science Business Division of the Company            April 2024      Responsible for Institute of Human-oriented Management of the                                     Company            April 2025      Chairperson of the Board of the Company              (Positions and responsibilities)            Chairperson of the Board and Member of the Nomination and            Compensation Committee         </p> <p data-bbox="427 1070 1286 1368">           [Reasons for selection as a candidate for Director]            After applying his many years of experience primarily in production innovation and responsible care divisions to help innovate the operation of the Company's production bases, Mr. Yoshimi Ogawa served as President and CEO of the Company for approximately six years from June 2019, using his strong leadership skills to drive the Group forward and improve corporate value. Based on these results along with his wealth of experience, achievements and insight into the overall management of the Company, the Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.         </p>	179,348

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="209 869 394 931">Yasuhiro Sakaki (March 17, 1962)</p> <p data-bbox="220 958 383 990"><u>Reappointment</u></p> <p data-bbox="197 1021 408 1200">Tenure as Director Six years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p data-bbox="427 282 1275 1417"> April 1984      Joined the Company  June 2012      President of Organic Chemical Products Company of the  Company  June 2014      Executive Officer of the Company  June 2017      Managing Executive Officer of the Company  June 2019      Senior Managing Executive Officer of the Company  June 2020      Director of the Company  April 2021      General Manager of Corporate Planning &amp; Strategy  Headquarters of the Company  April 2022      Responsible for Customer Center of the Company  August 2022    General Manager of SCM Headquarters of the Company  April 2023      Responsible for Material SBU of the Company  April 2024      Responsible for Smart SBU of the Company  Responsible for Life Sciences SBU of the Company  April 2025      President and CEO of the Company  President of the Company  Responsible for SCM Headquarters of the Company  May 2025      Responsible for Corporate Planning &amp; Strategy Office  of the Company  April 2026      Oversight of Corporate Planning &amp; Strategy Office of the  Company  Responsible for Executive Office of the Company  Responsible for Life Sciences Business Incubation Office of the  Company  Responsible for Institute of Human-oriented Management of the  Company    (Positions and responsibilities)  President and CEO, President, Member of the Nomination and  Compensation Committee, Oversight of Corporate Planning &amp;  Strategy Office, Responsible for Executive Office, Responsible  for Life Sciences Business Incubation Office and Responsible  for Institute of Human-oriented Management </p> <p data-bbox="427 1429 1289 1792"> [Reasons for selection as a candidate for Director]  Mr. Yasuhiro Sakaki has played a central role in the Company's management both  inside and outside Japan by applying his many years of experience primarily in the  Company's Safety-related business segment, President of overseas subsidiaries, as  well as the person responsible for the divisions involved in the promotion of  management strategies of the Company. Since becoming a Director, he has been  responsible for formulating and promoting mid-term strategies and for multiple  segments including Material, Smart and Life Sciences and has worked to expand  these businesses. Based on these results and his wealth of experience, achievements  and insight into the management of the Company, the Company has determined that  he is an appropriate person to promote the Company's group management and global  business management, and thus requests his election as Director. </p>	100,768

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p data-bbox="204 685 399 741">Kotaro Sugimoto (October 10, 1960)</p> <p data-bbox="220 770 383 804"><u>Reappointment</u></p> <p data-bbox="193 837 410 1016">Tenure as Director Seven years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p data-bbox="427 282 1283 786"> April 1984      Joined the Company  June 2011      Head of Raw Material Purchasing Center of the Company  June 2014      Executive Officer of the Company  June 2017      Managing Executive Officer of the Company  June 2019      Representative Director of the Company  Responsible for Corporate Compliance Program of the Company  October 2019    General Manager of Corporate Support Headquarters of the  Company  June 2020      Senior Managing Executive Officer of the Company  April 2021      Responsible for Corporate Sustainability of the Company  April 2022      Responsible for Digital Strategy Division (now Digital Strategy  Center) of the Company  May 2025      Responsible for Material SBU of the Company  April 2026      Oversight of Material SBU of the Company </p> <p data-bbox="616 831 1283 1039"> (Positions and responsibilities)  Representative Director, Senior Managing Executive Officer,  Member of the Nomination and Compensation Committee,  General Manager of Corporate Support Headquarters,  Responsible for Corporate Compliance Program, Responsible for  Corporate Sustainability, Responsible for Digital Strategy Center  and Oversight of Material SBU </p> <p data-bbox="427 1055 1283 1415"> [Reasons for selection as a candidate for Director]  Mr. Kotaro Sugimoto has worked to strengthen the Company's corporate governance frameworks, which serve as the fundamental platforms for Company management, by leveraging his many years of experience primarily in Company finance and accounting, compliance and other management divisions as well as the Raw Material Purchasing Center. Since his appointment as Director, he has played a central role in formulating personnel systems, promoting DE&amp;I, and advancing sustainable management and digital strategies. Based on these results and his wealth of experience, achievements and insight into the management of the Company, the Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director. </p>	96,272

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	<p>Toshio Shiwaku (February 20, 1963)</p> <p><u>Reappointment</u></p> <p>Tenure as Director Two years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p>April 1987      Joined Polyplastics Co., Ltd.</p> <p>April 2007      Chief of Research and Development Center of Polyplastics Co., Ltd.</p> <p>March 2011      Executive Officer of Polyplastics Co., Ltd.</p> <p>June 2014      Director of Polyplastics Co., Ltd.</p> <p>June 2015      Managing Executive Officer of Polyplastics Co., Ltd. General Manager of Corporate Strategy Division of Polyplastics Co., Ltd. General Manager of Corporate Planning Department of Polyplastics Co., Ltd.</p> <p>June 2016      Representative Director of Polyplastics Co., Ltd.</p> <p>June 2017      Representative Director and President of Polyplastics Co., Ltd.</p> <p>April 2021      Senior Managing Executive Officer of the Company General Manager of Performance Materials Headquarters of the Company</p> <p>April 2023      Responsible for Innovation and Business Development Headquarters of the Company</p> <p>April 2024      General Manager for Assessment Headquarters of the Company General Manager of R&amp;D Headquarters of the Company Responsible for Safety and Quality Assurance Headquarters of the Company Responsible for Intellectual Property Center of the Company</p> <p>June 2024      Director of the Company</p> <p>(Positions and responsibilities) Director, Senior Managing Executive Officer, General Manager of Assessment Headquarters, General Manager of R&amp;D Headquarters and Responsible for Intellectual Property Center</p> <p>[Reasons for selection as a candidate for Director] Mr. Toshio Shiwaku has applied his many years of experience in R&amp;D, corporate strategy, and new business development divisions to help expand global business at Polyplastics Co., Ltd. (the Company has succeeded to all businesses (excluding the business of holding and managing shares of subsidiaries and affiliates) of Polyplastics Co., Ltd. through the absorption-type company split on April 1, 2026), a former major subsidiary of the Company of which he was Representative Director and President. Since being assigned Executive Officer of the Company, he has also worked to strengthen the Group's R&amp;D, safety, quality, and compliance functions by utilizing his wealth of experience, achievements and insights into the Group's corporate management and overseas business as, among others, General Manager of the Assessment Headquarters and General Manager of the R&amp;D Headquarters. Based on these results, the Company has determined that he is an appropriate person to promote the Company's group management and global business management, and thus requests his election as Director.</p>	58,049

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<p data-bbox="193 819 410 875">Naotaka Kawaguchi (December 25,1961)</p> <p data-bbox="220 909 383 943"><u>Reappointment</u></p> <p data-bbox="193 976 410 1149">Tenure as Director Two years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p data-bbox="427 282 1257 1055"> April 1986      Joined the Company  June 2014      General Manager of Harima Plant, Aerospace &amp; Defense  Systems/Safety Systems Company of the Company  June 2015      Executive Officer of the Company  June 2020      Managing Executive Officer of the Company  April 2022      General Manager of Production Management Headquarters of  the Company  Responsible for Innovation and Business Development  Headquarters of the Company  Responsible for Biomass Innovation Center of the Company  Responsible for Monozukuri Production Innovation Center of  the Company  Responsible for Chain Production Company and Multiple  Production Company of the Company  April 2023      Senior Managing Executive Officer of the Company  Responsible for Engineering Center of the Company  June 2024      Director of the Company  April 2025      Responsible for Safety and Quality Assurance Headquarters of  the Company  May 2025      Responsible for Safety SBU of the Company  April 2026      Responsible for Production Technology Headquarters of the  Company  Oversight of Safety SBU of the Company </p> <p data-bbox="616 1104 1273 1279"> (Positions and responsibilities)  Director, Senior Managing Executive Officer, General Manager  of Production Management Headquarters, Responsible for  Engineering Center, Responsible for Safety and Quality  Assurance Headquarters, Responsible for Production  Technology Headquarters and Oversight of Safety SBU </p> <p data-bbox="427 1294 1289 1684"> [Reasons for selection as a candidate for Director]  Mr. Naotaka Kawaguchi has worked to improve the Company's production  innovation capabilities and formulate and implement solutions to various problems  by applying his many years of experience primarily in production innovation, the  Safety segment, the production division and as President of overseas subsidiaries.  Since being appointed Executive Officer, he has been responsible for a wide range  of overseas subsidiaries and has played a central role in improving productivity at  the Company's production bases and exploring potential technological innovations.  Based on these results and his wealth of experience, achievements and insight into  the Company's management and production technology, the Company has  determined that he is an appropriate person to promote the Company's group  management and global business management, and thus requests his election as  Director. </p>	70,014

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	<p style="text-align: center;">Toshio Asano (December 4, 1952)</p> <p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reappointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span> </p> <p style="text-align: center;">Tenure as Outside Director Seven years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p>April 2010      President &amp; Representative Director, Presidential Executive Officer of Asahi Kasei Pharma Corp.</p> <p>April 2014      Presidential Executive Officer of Asahi Kasei Corp.</p> <p>June 2014      President &amp; Representative Director, Presidential Executive Officer of Asahi Kasei Corp.</p> <p>April 2016      Director and Standing Advisor of Asahi Kasei Corp.</p> <p>June 2016      Standing Advisor of Asahi Kasei Corp.</p> <p>June 2019      Director of the Company</p> <p>June 2022      Advisor of Asahi Kasei Corp.</p> <p>June 2024      Special Advisor of Asahi Kasei Corp.</p> <p style="text-align: center;">(Positions and responsibilities) Director and Chairperson of the Nomination and Compensation Committee</p> <p style="text-align: center;">(Significant concurrent positions) Special Advisor of Asahi Kasei Corp. Outside Director of MEDIPAL HOLDINGS CORPORATION Outside Director of Tokyo Century Corporation Chairman of Japanese Foundation for Cancer Research</p> <p>[Reasons for selection as a candidate for Outside Director and outline of expected roles] Mr. Toshio Asano has amassed a wealth of insight and experience in operating companies that manufacture and sell chemical goods. The Company wishes to utilize the unique perspective derived from this insight and experience to contribute to the management of the Company and thus requests his election as Outside Director. The Company expects Mr. Asano to fulfill the above-mentioned roles after his reappointment. Mr. Asano has served in roles such as President &amp; Representative Director of Asahi Kasei Corp., a business partner of the Company. Since he retired from the position of President &amp; Representative Director of Asahi Kasei Corp. in April 2016, he has not been involved in its business execution. The Group has business transactions with Asahi Kasei group, and the Group's sales to the said group is less than 1% of the Group's consolidated sales, while purchase amounts from said group is less than 1% of the said group's consolidated sales. Therefore, we believe that this will not impact the independence of Mr. Asano as Outside Director. In addition, Mr. Asano serves as Chairman of Japanese Foundation for Cancer Research. The Company makes a certain amount of donations to Japanese Foundation for Cancer Research, but the amount is immaterial and does not exceed the level provided in the Company's "Standards for Independence of Outside Directors / Audit &amp; Supervisory Board Members." Accordingly, this will not impact the independence of Mr. Asano as Outside Director.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	<p data-bbox="201 622 400 680">Yuriya Komatsu (October 18, 1962)</p> <p data-bbox="220 712 381 804"> <span style="border: 1px solid black; padding: 2px;">Reappointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span> </p> <p data-bbox="193 837 408 1048">           Tenure as Outside            Director            Four years            (as of the conclusion            of this year's Annual            General Meeting of            Shareholders)         </p>	<p data-bbox="427 282 1286 813">           April 1988     Assistant Portfolio Manager of Credit Suisse Trust and Banking Co., Ltd.            April 1990     Senior Analyst of SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.)            May 1996       Senior Research Analyst of The Dreyfus Corporation            December 1999   Vice President of Fiduciary Trust Company International            September 2000   Partner of INTELLASSET, INC.            November 2004   Partner of Worldeye Capital Inc.            June 2006       Vice President of Olympus Capital Holdings Asia            July 2010       Managing Director of Daiwa Quantum Capital Limited            October 2014    Member of the Board of KADOKAWA DWANGO Corporation (currently KADOKAWA Corporation)                                  Member of the Board of DWANGO Co., Ltd.            June 2022       Director of the Company            January 2023    Director of IA Partners Inc.         </p> <p data-bbox="624 860 1238 1106">           (Positions and responsibilities)            Director and Member of the Nomination and Compensation Committee            (Significant concurrent positions)            Outside Director of NTN Corporation            Outside Director (Audit and Supervisory Committee Member) of DREAM INCUBATOR INC.            Outside Director of TOKYO GAS CO., LTD.         </p> <p data-bbox="427 1122 1286 1393">           [Reasons for selection as a candidate for Outside Director and outline of expected roles]            Ms. Yuriya Komatsu has amassed a wealth of insight and experience as a manager of investment companies and information and telecommunications companies inside and outside Japan. The Company wishes to utilize the unique perspective derived from this insight and experience to contribute to the management of the Company and thus requests her election as Outside Director.            The Company expects Ms. Komatsu to fulfill the above-mentioned roles after her reappointment.         </p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	<p>Mari Okajima (August 6, 1961)</p> <p>Reappointment Outside Independent</p> <p>Tenure as Outside Director Three years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p>April 2012 Vice President of Cabin Safety Promotion Department of Japan Airlines Co., Ltd.</p> <p>April 2013 Vice President of Cabin Attendants Department, Haneda of Japan Airlines Co., Ltd.</p> <p>November 2014 Deputy General Manager of Cabin Attendants and Vice President of The 1st Cabin Attendants Department, Haneda of Japan Airlines Co., Ltd.</p> <p>June 2015 Deputy General Manager of Cabin Attendants Division and Vice President of Cabin Attendants General Affairs of Japan Airlines Co., Ltd.</p> <p>September 2021 Professor of J.F. Oberlin University</p> <p>June 2023 Director of the Company</p> <p>(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p>(Significant concurrent positions) Professor of J.F. Oberlin University</p> <p>[Reasons for selection as a candidate for Outside Director and outline of expected roles] Although Ms. Mari Okajima has not been directly involved in corporate management, given her experience in managing business departments in a leading Japanese airline company and her wealth of knowledge concerning organizational safety management and human resource development, the Company has determined that she can perform her duties appropriately as Outside Director. Ms. Okajima also has advanced specialized knowledge and wide insight as an academic who conducts various research relating to social issues such as customer satisfaction and sustainable development goals (SDGs). The Company wishes to utilize the unique perspective derived from this insight and experience to contribute to the management of the Company and thus requests her election as Outside Director. The Company expects Ms. Okajima to fulfill the above-mentioned roles following her reappointment.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	<p>Keita Nishiyama (January 11, 1963)</p> <p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reappointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span> </p> <p>Tenure as Outside Director Three years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p>April 1985      Joined the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>June 2011      Director-General of the Secretariat for the TEPCO Management and Finance Investigation Task Force of Cabinet Secretariat</p> <p>June 2012      Senior Executive Managing Officer of Innovation Network Corporation of Japan (currently Japan Investment Corporation)</p> <p>July 2012      Deputy Director-General for Economic and Social Policy of Ministry of Economy, Trade and Industry</p> <p>June 2013      Deputy Director-General of Economic and Industrial Policy Bureau of Ministry of Economy, Trade and Industry</p> <p>July 2014      Deputy General Manager of TEPCO-NDF Liaison Office, Nuclear Damage Compensation and Decommissioning Facilitation Corporation (NDF) Executive Officer of Tokyo Electric Power Company (Assistant to Chairman, Co-Superintendent of Management &amp; Planning Division)</p> <p>June 2015      Director and Executive Officer of Tokyo Electric Power Company (Assistant to Chairman, Co-Superintendent of Management &amp; Planning Division)</p> <p>July 2018      Director-General of Commerce and Information Policy Bureau of Ministry of Economy, Trade and Industry</p> <p>July 2020      Retired from Ministry of Economy, Trade and Industry</p> <p>November 2020      Representative Director of Nishiyama Research Institute, Inc.</p> <p>June 2023      Director of the Company</p> <p style="text-align: center;">(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p style="text-align: center;">(Significant concurrent positions) Representative Director of Nishiyama Research Institute, Inc. Outside Director of Panasonic Holdings Corporation</p> <hr/> <p>[Reasons for selection as a candidate for Outside Director and outline of expected roles] Mr. Keita Nishiyama has a deep knowledge of economic and industrial policy and IT policy fostered during his positions at the Ministry of Economy, Trade and Industry as well as a wealth of knowledge as a member of a management team in a power company and an investment company. The Company wishes to utilize the unique perspective derived from this insight and experience to contribute to the management of the Company and thus requests his election as Outside Director. The Company expects Mr. Nishiyama to fulfill the above-mentioned roles following his reappointment.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	<p style="text-align: center;">Seiji Kito (November 3, 1962)</p> <p style="text-align: center;"><u>Reappointment</u> <u>Outside</u> <u>Independent</u></p> <p>Tenure as Outside Director One year (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p>March 2022      Representative Director and Executive Vice President of Nippon Life Insurance Company</p> <p>March 2023      Director of Nippon Life Insurance Company</p> <p>June 2023        Chief Director of Tokyo Opera City Cultural Foundation Chief Director of Nissay Culture Foundation</p> <p>June 2025        Director of the Company</p> <p style="text-align: center;">(Positions and responsibilities) Director and Member of the Nomination and Compensation Committee</p> <p style="text-align: center;">(Significant concurrent positions) Chief Director of Tokyo Opera City Cultural Foundation Chief Director of Nissay Culture Foundation Outside Director of The Hyakujushi Bank, Ltd. (Audit and Supervisory Committee Members),</p> <p>[Reasons for selection as a candidate for Outside Director and outline of expected roles] Mr. Seiji Kito amassed a wealth of insight and experience as a manager of a financial institution. The Company wishes to utilize the unique perspective derived from this insight and experience to contribute to the management of the Company and thus requests his election as Outside Director. The Company expects Mr. Kito to fulfill the above-mentioned roles following his reappointment. Mr. Kito has served in roles such as Representative Director and Executive Vice President of Nippon Life Insurance Company, a lender of the Company. Since retiring from the position of Director in July 2023, he has not been involved in the business execution of Nippon Life Insurance Company. Additionally, the Group's amount of borrowings from the Nippon Life Group is less than 1% of the Group's consolidated total assets, and insurance premiums which the Group pays to the Nippon Life Group is less than 1% of the Nippon Life Group's premiums and other income. Therefore, this will not impact the independence of Mr. Kito as Outside Director.</p>	0

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	<p style="text-align: center;">Sayu Ueno (January 23, 1962)</p> <p><u>New appointment</u> <u>Outside</u></p> <p>Tenure as Outside Director —</p>	<p>April 2016      Managing Officer and General Manager of Corporate Planning &amp; Strategy Division of MITSUI &amp; CO., LTD.</p> <p>April 2018      Managing Officer and Chief Operating Officer of Basic Materials Business Unit of MITSUI &amp; CO., LTD.</p> <p>April 2020      Executive Managing Officer and Chief Operating Officer of Americas Business Unit of MITSUI &amp; CO., LTD. and President &amp; CEO of MITSUI &amp; CO. (U.S.A.), INC.</p> <p>April 2021      Senior Executive Managing Officer and Chief Operating Officer of Americas Business Unit of MITSUI &amp; CO., LTD. and President &amp; CEO of MITSUI &amp; CO. (U.S.A.), INC.</p> <p>April 2022      Executive Vice President and Chief Operating Officer of Americas Business Unit of MITSUI &amp; CO., LTD. and President &amp; CEO of MITSUI &amp; CO. (U.S.A.), INC.</p> <p>April 2025      Counselor of MITSUI &amp; CO., LTD.</p> <p style="text-align: center;">(Significant concurrent positions) Counselor of MITSUI &amp; CO., LTD.</p> <p>[Reasons for selection as a candidate for Outside Director and outline of expected roles]</p> <p>Mr. Sayu Ueno has been involved in formulating management strategies at a major general trading company, as well as in developing global sales strategies and promoting sales activities for chemical products, which are one of the Company's principal businesses, with due consideration for sustainability. In addition, he has management experience as an Executive Officer of the said company and possesses extensive business experience and a professional network in the United States, one of the Company's key markets. Based on these qualifications, the Company has determined that he is an appropriate person to serve as an Outside Director of the Company.</p> <p>The Company wishes to utilize the unique perspective derived from his insight and experience to contribute to the management of the Company and thus requests his election as Outside Director. The Company expects Mr. Ueno to fulfill the above-mentioned roles following his appointment.</p> <p>Mr. Ueno has previously served in key positions within the MITSUI &amp; CO. Group. The Group has business transactions with the MITSUI &amp; CO. Group, and the Group's net sales to the MITSUI &amp; CO. Group account for 3.4% of the Group's consolidated net sales, while purchase amounts from the MITSUI &amp; CO. Group are less than 1% of the MITSUI &amp; CO. Group's consolidated net sales. However, since he retired from the position of Executive Officer of the MITSUI &amp; CO. Group in March 2025, he has not been involved in the business execution of the MITSUI &amp; CO. Group.</p>	0

(Notes)

1. There are no special interests between each of the candidates for Director and the Company.
2. Mr. Toshio Asano, Ms. Yuriya Komatsu, Ms. Mari Okajima, Mr. Keita Nishiyama, Mr. Seiji Kito, and Mr. Sayu Ueno are candidates for Outside Director.
3. The Company has registered Mr. Toshio Asano, Ms. Yuriya Komatsu, Ms. Mari Okajima, Mr. Keita Nishiyama, and Mr. Seiji Kito as independent directors with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If their election is approved, the Company plans to continue registering those Directors as independent directors.
4. The candidates for Outside Director stated on Note 3 above satisfy the “Standards for Independence of Outside Directors / Audit & Supervisory Board Members” as defined by the Company. Regarding the “Standards for Independence of Outside Directors / Audit & Supervisory Board Members” defined by the Company, please refer to Attachment 2 to the Company’s Business Report for the 160th Fiscal Year.
5. Liability limitation agreements with the candidates for Outside Directors  
Pursuant to Article 427 Paragraph 1 of the Companies Act, the Company in its Articles of Incorporation stipulates that it can enter into a liability limitation agreement with Directors (excluding executive directors) that the limit of their liability for damages stipulated in Article 423 Paragraph 1 of the Companies Act shall be 15 million yen or the minimum liability amount set forth in Article 425 Paragraph 1 of the Companies Act, whichever is higher, only in cases where they have performed their duties which caused liabilities in good faith and without gross negligence. The Company has signed the said agreement with the above candidates for reappointment as Outside Directors and plans to continue the agreement with them if their election is approved. Subject to the approval of his election as a newly appointed Outside Director, the Company plans to enter into such agreement with Mr. Sayu Ueno.
6. Indemnification agreements  
The Company has entered into an indemnification agreement stipulated in Article 430-2 Paragraph 1 of the Companies Act with the candidates for reappointment as Directors. This agreement stipulates that the Company indemnifies costs under Item 1 of the same paragraph and losses under Item 2 of the same paragraph within the scope stipulated by laws and regulations. If their election is approved, the Company plans to continue the said agreement with the candidates for reappointment as Directors. If his election as a new Director is approved, the Company plans to enter into such agreement with Mr. Sayu Ueno.
7. Directors and Officers Liability Insurance contract for the candidates for Directors  
The Company has entered into a contract of Directors and Officers Liability Insurance with an insurance company, as stipulated in Article 430-3 Paragraph 1 of the Companies Act. This insurance contract covers damages that may arise from the insured Director assuming liability for the execution of their duties or receiving claims related to the pursuit of such liability. Subject to the approval of each candidate as Director, they will be insured under the said insurance contract. The Company intends to renew the said insurance contract with the same details during their terms of office.  
However, there are certain exclusions under the said insurance contract, such as no coverage for damages arising from a criminal act of the insured or an action taken by the insured with the knowledge that it was in violation of laws and regulations.
8. Nippon Life Insurance Company, where Mr. Seiji Kito served as a Director from July 2014 to July 2023 (excluding the period from July 2017 to July 2021), received an order from the Financial Services Agency to submit a report on July 18, 2025, as a result of an incident that occurred between May 2019 and March 2025 involving acquisition of information using improper methods by an employee seconded from Nippon Life Insurance Company to a bank. Mr. Kito had no prior knowledge of the matter; however, he had regularly made proposals, etc. from a compliance-oriented perspective at the Board of Directors meetings, etc.
9. Of the 11 Director candidates, two (18%) are females.
10. Ms. Yuriya Komatsu is scheduled to resign from Outside Director of NTN Corporation at the conclusion of that company’s annual general shareholders meeting to be held in June 2026.
11. Mr. Toshio Asano is scheduled to be appointed as an Outside Director of JCR Pharmaceuticals Co., Ltd. at that company’s annual general shareholders meeting to be held on June 23, 2026.

Proposal 3: Election of Three Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Mr. Junichi Mizuo and Ms. Hisae Kitayama will expire at the conclusion of this year's Annual General Meeting of Shareholders, and Mr. Kenichi Yamada retired from his position as Audit & Supervisory Board Member in June 2025 due to his passing. Accordingly, the election of three Audit & Supervisory Board Members is proposed. The Audit & Supervisory Board has given its consent to this proposal. The candidates for Audit & Supervisory Board Members are as follows:

No.	Name	Current Positions and Responsibilities at the Company		Attendance Rate at the Board of Directors meetings	Attendance Rate at the Board of Auditors meeting
1	Shinji Tatsukawa	Senior General Manager of the Company, General Manager of Hirohata Plant, Himeji Production Sector	New Appointment	-	-
2	Hisae Kitayama	Audit & Supervisory Board Member	Reappointment Outside Independent	100% (15 out of 15 meetings)	100% (15 out of 15 meetings)
3	Koji Hasegawa	-	New Appointment Outside Independent	-	-

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
1	Shinji Tatsukawa (July 20, 1963)  <u>New Appointment</u>  Tenure as Audit & Supervisory Board Member -	April 1986      Joined the Company June 2012      Vice President of Daicel Safety Systems Korea, Inc. July 2015      President of Daicel Safety Systems Korea, Inc. April 2020      General Manager of Hirohata Plant, Himeji Production Sector of Multiple Production Company (currently Himeji Production Sector) of the Company April 2022      Senior General Manager of the Company  (Positions) Senior General Manager of the Company General Manager of Hirohata Plant, Himeji Production Sector of the Company  [Reasons for selection as a candidate for Audit & Supervisory Board Member] Mr. Shinji Tatsukawa had served as the President of the Company's group company as well as the person responsible for the Company's production bases. Based on his insights driven by his extensive experience in production activities related to resin products, the Company's founding business, the Company has determined that he is an appropriate person as Audit & Supervisory Board Member to perform audits from a neutral and objective point of view and be responsible for securing the soundness of management, and thus requests his election as Audit & Supervisory Board Member.	10,753

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="199 548 391 604">Hisae Kitayama (August 30, 1957)</p> <p data-bbox="215 638 375 728"> <span style="border: 1px solid black; padding: 2px;">Reappointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span> </p> <p data-bbox="183 761 399 996">Tenure as Outside Audit &amp; Supervisory Board Member Four years (as of the conclusion of this year's Annual General Meeting of Shareholders)</p>	<p data-bbox="422 268 1284 728"> October 1982    Joined Asahi Accounting Company (currently KPMG AZSA LLC)  March 1986    Registered as Certified Public Accountant  May 1999      Partner of Asahi Accounting Company (currently KPMG AZSA LLC)  July 2013     Managing Executive Director of KPMG AZSA LLC  June 2019     Chairman of Kinki Chapter, Japanese Institute of Certified Public Accountants  July 2019     Deputy Chairman of Japanese Institute of Certified Public Accountants  Senior Executive Director of KPMG AZSA LLC  July 2020     Representative of Kitayama Public Accounting Office  April 2021    Specially Appointed Professor of Graduate School, University of Hyogo  June 2022     Audit &amp; Supervisory Board Member of the Company </p> <p data-bbox="630 761 1284 996"> (Position)  Audit &amp; Supervisory Board Member  (Significant concurrent positions)  Representative of Kitayama Public Accounting Office, Certified Public Accountant  Outside Director of Tsubakimoto Chain Co.  Outside Director of Sapporo Holdings Limited (Audit &amp; Supervisory Committee Member) </p> <p data-bbox="422 1008 1284 1265"> [Reasons for selection as a candidate for Outside Audit &amp; Supervisory Board Member]  Although Ms. Hisae Kitayama has not been directly involved in corporate management, she has advanced specialized knowledge and wide insights as a certified public accountant who served as a partner of a major accounting company and an officer of an institute of certified public accountants. As she also has experience, etc., as outside directors of companies, the Company has determined that she is an appropriate person as Outside Audit &amp; Supervisory Board Member, and requests her election. </p>	0

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
3	<p>Koji Hasegawa (August 29, 1967)</p> <p><b>New appointment</b> <b>Outside</b> <b>Independent</b></p> <p>Tenure as Outside Audit &amp; Supervisory Board Member —</p>	<p>April 1990      Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited)</p> <p>October 1996    Resident in Hong Kong and Manager of Hong Kong Examination Office of The Daiwa Bank, Ltd.</p> <p>April 2007      General Manager of Corporate Planning Department and Head of IPO Preparation Project of R&amp;D COMPUTER CO., LTD.</p> <p>June 2008      Director and General Manager of Corporate Management Division of R&amp;D COMPUTER CO., LTD.</p> <p>April 2012      Director and General Manager of Kansai Branch of R&amp;D COMPUTER CO., LTD.</p> <p>April 2015      General Manager of Business Development Department of Kokusai Kogyo Co., Ltd.</p> <p>April 2025      Professor of Fukui University of Technology</p> <p>(Significant concurrent positions) Professor of Fukui University of Technology</p> <p>[Reasons for selection as a candidate for Outside Audit &amp; Supervisory Board Member] Mr. Koji Hasegawa has experience in corporate management at an information systems-related company and also has advanced specialized knowledge and wide insights as an academic who conducts various areas of studies primarily relating to corporate governance, business administration, sustainability management, and risk management. The Company has determined that he is an appropriate person as Outside Audit &amp; Supervisory Board Member, and thus requests his election.</p>	0

(Notes)

- There are no special interests between each of the candidates for Audit & Supervisory Board Member and the Company.
- Ms. Hisae Kitayama and Mr. Koji Hasegawa are candidates for Outside Audit & Supervisory Board Member.
- The Company has registered Ms. Hisae Kitayama as an independent audit & supervisory board member with Tokyo Stock Exchange, pursuant to the rules stipulated by the Exchange. If her election and the election of newly appointed Mr. Koji Hasegawa are approved, the Company plans to continue registering her and newly register him as independent audit & supervisory board members. Additionally, they satisfy the “Standards for Independence of Outside Directors / Audit & Supervisory Board Members” as defined by the Company. Regarding the “Standards for Independence of Outside Directors / Audit & Supervisory Board Members” defined by the Company, please refer to Attachment 2 to the Company’s Business Report for the 160th Fiscal Year.
- Liability limitation agreements with the candidates for Outside Audit & Supervisory Board Member  
Pursuant to Article 427 Paragraph 1 of the Companies Act, the Company in its Articles of Incorporation stipulates that it can enter into a liability limitation agreement with Audit & Supervisory Board Members that the limit of their liability for damages stipulated in Article 423 Paragraph 1 of the Companies Act shall be 15 million yen or the minimum liability amount set forth in Article 425 Paragraph 1 of the Companies Act, whichever is higher, only in cases where they have performed their duties which caused liabilities in good faith and without gross negligence. The Company has signed the said agreement with Ms. Hisae Kitayama for reappointment as Audit & Supervisory Board Member and plans to continue the agreement with her if her election is approved. Subject to the approval of his election as a newly appointed Audit & Supervisory Board Member, the Company plans to enter into such agreement with Mr. Koji Hasegawa.
- Indemnification agreements  
The Company has entered into an indemnification agreement stipulated in Article 430-2 Paragraph 1 of the Companies Act with Ms. Hisae Kitayama. This agreement stipulates that the Company indemnifies costs under Item 1 of the same paragraph and losses under Item 2 of the same paragraph within the scope stipulated by laws and regulations. Subject to the approval of her election, it plans to continue the said agreement with Ms. Hisae Kitayama. Further, if the election of Mr. Shinji Tatsukawa and Mr. Koji Hasegawa, new Audit & Supervisory Board Member candidates, are approved, the Company plans to enter into the said agreements with them.
- Directors and Officers Liability Insurance contract for the candidates for Audit & Supervisory Board Members  
The Company has entered into a contract of Directors and Officers Liability Insurance with an insurance company, as stipulated in Article 430-3 Paragraph 1 of the Companies Act. This insurance contract covers damages that may arise

from the insured Audit & Supervisory Board Member assuming liability for the execution of his or her duties or receiving claims related to the pursuit of such liability. Subject to the approval of the candidates as Audit & Supervisory Board Members, they will be insured under said insurance contract. The Company intends to renew the said insurance contract with the same details during their terms of office.

However, there are certain exclusions under the said insurance contract, such as no coverage for damages arising from a criminal act of the insured or an action taken by the insured with the knowledge that it was in violation of laws and regulations.

7. EBARA CORPORATION, where Ms. Hisae Kitayama served as an Outside Director from March 2021 to March 2025, received a recommendation from the Japan Fair Trade Commission pursuant to the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors on February 20, 2025. She had no prior knowledge of the matter; however, she had regularly made proposals, etc. from a compliance-oriented perspective at the Board of Directors meetings, etc. After becoming aware of the matter, she made proposals, etc. concerning the prompt investigation of the matter, the strengthening of the internal control system, and the thorough implementation of compliance measures to prevent recurrence.
8. Mr. Shinji Tatsukawa is scheduled to be appointed as Assistant General Manager of Hirohata Plant of Himeji Production Sector of the Company as of June 1, 2026. Subject to his election as Audit & Supervisory Board Member, he will resign from the position.
9. Ms. Hisae Kitayama is scheduled to be appointed as Independent Director (Audit & Supervisory Committee Member) of Kobe Steel, Ltd. at that company's annual general shareholders meeting to be held in the latter part of June 2026.
10. Subject to the approval of the election of each candidate as Audit & Supervisory Board Member, of the five Audit & Supervisory Board Members, including those currently serving mid-term, one (20%) is female.

(Reference) Main knowledge and experience of candidates for Directors and Audit & Supervisory Board Members (including those who currently serve as Audit & Supervisory Board Members) (skills matrix)

	Name		Corporate management	Global management	Marketing/ Business planning	Engineering/ Research & development	Finance and accounting	Legal affairs, intellectual property and risk management	DX	Sustainability	
										Environment	Diversity and inclusion
Director	Yoshimi Ogawa		•	•		•			•	•	
	Yasuhiro Sakaki		•	•	•			•		•	
	Kotaro Sugimoto		•	•			•	•			•
	Toshio Shiwaku		•	•	•	•		•			
	Naotaka Kawaguchi		•	•		•			•	•	
	Toshio Asano	Outside	•	•		•				•	
	Yuriya Komatsu	Outside	•	•			•	•			•
	Mari Okajima	Outside			•		•				•
	Keita Nishiyama	Outside	•					•	•	•	•
	Seiji Kito	Outside	•				•	•	•		•
Sayu Ueno	Outside	•	•	•					•		
Audit & Supervisory Board Member	Mikio Yagi		•	•	•			•			•
	Shinji Tatsukawa		•	•		•				•	
	Hideo Makuta	Outside					•	•			•
	Hisae Kitayama	Outside					•	•			•
	Koji Hasegawa	Outside	•				•	•		•	•

Note: Up to five items that are particularly expected of each person are listed. The above matrix does not represent all the knowledge and experience of each person.

**Proposal 4:** Determination of Compensation Related to the Performance-Based Stock Compensation Plan for Directors (Excluding Outside Directors)

With regard to the amount of the Company's Director monetary compensation, it was approved at the 158th Annual General Meeting of Shareholders held on June 21, 2024 to be 640 million yen or less per year (including 140 million yen or less per year for Outside Directors). Additionally, with regard to the amount of compensation for granting restricted stock, which is separate from the amount of compensation above, it was approved at the 152nd Annual General Meeting of Shareholders held on June 22, 2018 to be 100 million yen or less per year, to be granted as shares of the Company's common stock to Directors of the Company (excluding Outside Directors).

In light of its decision to review its executive compensation system, the Company proposes the introduction of a performance-based stock compensation plan (hereinafter, the "Plan"), which is separate from the amount of compensation above, to grant shares of the Company's common stock to Directors of the Company (excluding Outside Directors; hereinafter, the "Directors Covered by the Plan"), based on the degree of achievement of numerical targets relating to the Company's performance and other factors predetermined by the Company and other indicators predetermined by the Company, as described below. The purpose of the Plan is to further align their interests with those of shareholders, to provide incentives for the sustainable improvement of the Company's corporate value, and to further increase their motivation to contribute to the enhancement of corporate value and business performance over the medium to long term. Based on this proposal, the compensation to be granted to Directors Covered by the Plan for the granting of performance-based stock shall be monetary compensation claims. The total amount of such monetary compensation claims to be granted to Directors Covered by the Plan shall be 610 million yen or less for each consecutive five (5) fiscal years. In addition, Directors Covered by the Plan, pursuant to a resolution of the Board of Directors, shall make in-kind contributions of all of the monetary compensation claims granted under the Plan and receive shares of the Company's common stock to be issued or disposed of (hereinafter, the "Delivery"). Accordingly, the total number of shares of the Company's common stock to be delivered in this manner shall be 210,000 shares or less over each consecutive five (5) fiscal years (provided, however, that in the event of a stock split or reverse stock split of the Company's common stock including allocation without contribution, with an effective date on or after the date of resolution of this General Meeting of Shareholders, the total number of shares shall be adjusted, as necessary and within a reasonable range, in accordance with the split ratio, consolidation ratio, or other relevant factors, on or after such effective date).

The amount to be paid per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding each resolution date of the Board of Directors (or, if no trading is effected on such day, the closing price on the most recent preceding trading day), within a range that does not constitute a particularly favorable amount for the Directors Covered by the Plan.

As the delivery of shares of the Company's common stock to the Directors Covered by the Plan shall be made after the end of the performance evaluation period predetermined by the Board of Directors of the Company, at the time of the introduction of the Plan, it has not yet been determined whether such shares will be delivered to each Director Covered by the Plan or the amount of monetary compensation claims to be granted for such delivery.

The Plan is designed, as described in the "Outline of the Plan" below, in order to further align their interests with those of shareholders, to provide incentives for the sustainable improvement of the Company's corporate value, as well as to further increase their motivation to contribute to the enhancement of corporate value and the improvement of business performance over the medium to long term. The Plan has been determined by the Board of Directors through deliberation by the Nomination and Compensation Committee, the majority of whose members are Outside Directors and which is chaired by an Outside Director, taking into consideration the aforementioned purpose, the Company's business conditions, the Company's "Policy on Determination of Amount of Compensation, etc. of Directors and Audit & Supervisory Board Members" (for details of such policy, please refer to Attachment 1 of the Company's 160th Business Report), and other various circumstances, and is therefore considered to be appropriate.

If this proposal is approved, the Company plans to amend the “Policy on Determination of Amount of Compensation, etc. of Directors and Audit & Supervisory Board Members” at a meeting of the Board of Directors, following the conclusion of this General Meeting of Shareholders, so as to ensure consistency with the content of such approval. The Company has determined that the revision of the policy is necessary and appropriate in order to decide the individual compensation, etc. of Directors in accordance with the policy after the revision.

If Proposal 2 (Election of 11 Directors) is approved as proposed, there will be five (5) Directors Covered by the Plan. The specific timing and allocation of the compensation to each Director Covered by the Plan shall be determined by the Board of Directors.

#### [Outline of the Plan]

The Plan is a performance-based stock compensation system (Performance Share Unit Plan) according to which the Board of Directors sets evaluation indicators in advance for a period determined by the Board (the “Evaluation Period”). Based on the degree of achievement of said indicators during the Evaluation Period, the Company grants monetary compensation claims for the delivery of a calculated number of shares. By contributing these monetary compensation claims as in-kind contributions, the Company issues or disposes of (hereinafter, “grants”) its common stock to Eligible Directors.

The initial Evaluation Period shall be from the fiscal year ending March 31, 2027 through the fiscal year ending March 31, 2031. Thereafter, in principle, the Evaluation Period shall consist of a consecutive three to five fiscal years and the Plan may be implemented within the scope approved in accordance with this proposal.

Other details of the Plan are described below.

#### (1) Grant of Rights and Number of Rights according to the Plan

Pursuant to a resolution of the Board of Directors, the Company shall grant each Eligible Director rights to receive shares of the Company’s common stock as per the Plan (hereinafter, “Units”). Each Unit corresponds to one share. The number of Units granted to each Eligible Director shall be calculated by dividing the standard compensation amount by position, as determined in advance by the Board of Directors, by the closing price of the Company’s common stock on the Tokyo Stock Exchange on the first day of the Evaluation Period (or, if no trading occurs on that day, the closing price on the first trading day immediately following said day). Any fractional amount less than one Unit shall be rounded down.

#### (2) Performance Conditions and Method of Calculating the Number of Shares to Be Granted

The performance indicators for the granting of Units shall be the following five indicators on a consolidated basis for the Company group: net sales, EBITDA, ROIC, and ESG indicators deemed important by the Company, namely the reduction of GHG emissions and occupational safety. In principle, the target values for each indicator set forth in the Company’s mid-term management plan shall be used as benchmarks, and granting shall be conditional upon achieving a certain level of attainment.

The number of shares to be granted shall be calculated by multiplying the number of Units granted to each Eligible Director by the vesting ratio determined based on the level of achievement of the performance conditions.

The vesting ratio shall be the total of the values obtained by multiplying the coefficient corresponding to the achievement level of each indicator by its evaluation weight, as shown below.

Indicator	Achievement rate, etc.	Coefficient	Evaluation weight
Net sales	100–120%	100–150%	25%
	80–100%	80–100%	
	Less than 80%	0%	
EBITDA	100–120%	100–150%	25%
	80–100%	80–100%	
	Less than 80%	0%	
ROIC	100–120%	100–150%	40%
	80–100%	80–100%	
	Less than 80%	0%	
GHG emissions reduction	80–100%	80–150%	5%
	Less than 80%	0%	
Occupational safety	Number of serious occupational accidents: 0 cases	150%	5%
	Number of serious occupational accidents: One (1) or more cases	0%	

### (3) Method of Calculating the Amount of Monetary Compensation Claims

The amount of monetary compensation claims to be granted to each Eligible Director according to the Plan shall be calculated by multiplying the final number of shares of the Company’s common stock to be allocated (the “Final Allocated Shares”) by a price that is not particularly favorable to the Eligible Director.

This price shall be based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors’ resolution determining offering matters related to the issuance or disposition of shares for said allocation (the “Grant Resolution Date”) held after the end of the Evaluation Period.

### (4) Conditions for Granting the Company’s Shares to Eligible Directors

The Company shall allocate the Final Allocated Shares to an Eligible Director after the end of the Evaluation Period if all of the following conditions are satisfied, or if the Board of Directors deems it necessary to achieve the purpose of the Plan:

- ① The Eligible Director has continuously held the position of director or executive officer of the Company from the grant of the Units through the end of the Evaluation Period.
- ② No misconduct specified by the Board of Directors has occurred.
- ③ Other conditions deemed necessary by the Board of Directors to achieve the purpose of the Plan have been satisfied.

If an Eligible Director is newly appointed during the Evaluation Period, the number of shares to be granted shall be reasonably adjusted based on length of service and other relevant factors.

If an Eligible Director passes away or resigns for reasons deemed justifiable by the Board of Directors during the Evaluation Period, or if the Eligible Director relocates outside Japan after the granting of Units and is a non-resident of Japan as of the Grant Resolution Date, the Board of Directors may, within the total amount of the monetary compensation claims, pay a reasonably adjusted amount of cash in lieu of shares to the Eligible Director or his/her successor in interest.

### (5) Outline of the Performance-Based Restricted Stock Allotment Agreement

#### ① Transfer Restriction Period

The shares of the Company’s common stock granted as Units (“Allotted Shares”) shall be subject to transfer restrictions.

Eligible Directors shall not transfer, create security interests in, or otherwise dispose of the Allotted

Shares during the period from the date of allotment for a period ranging from three to thirty years, as determined in advance by the Board of Directors (the “Transfer Restriction Period”), pursuant to a performance-based restricted stock allotment agreement.

② Lifting of Transfer Restrictions

Notwithstanding the provisions of ① above, the Company shall lift transfer restrictions on all of the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Director has continuously held any of the following positions during the Transfer Restriction Period: director, executive officer not concurrently serving as director, auditor, full-time advisor or counselor of the Company, or other equivalent position at the Company or its subsidiaries.

If the Eligible Director resigns or retires from their position prior to the expiration of the Transfer Restriction Period due to the expiration of term, mandatory retirement, or other justifiable reasons (including death), the transfer restrictions on all of the Allotted Shares shall be lifted immediately upon this resignation or retirement.

(6) Treatment in the Event of Organizational Restructuring

If, during the Evaluation Period, a merger agreement in which the Company becomes a dissolving company, a share exchange agreement or share transfer plan according to which the Company becomes a wholly owned subsidiary, or other matters relating to organizational restructuring are approved at a general meeting of shareholders of the Company (or by the Board of Directors, if shareholder approval is not required), units for which granting has not occurred as of such time shall, in principle, not be settled by the delivery of shares.

However, if approved by the Board of Directors, the Company may pay a reasonably adjusted amount of cash, calculated in accordance with the method for calculating monetary compensation claims and within the total amount thereof, to the Eligible Director or his/her successor in interest.

[Reference] Application of the Plan to Executive Officers

If shareholder approval is obtained at the General Meeting for the introduction of the Plan for Eligible Directors, the Company intends to introduce a similar plan for its executive officers by resolution of the Board of Directors.

(Reference) Policy regarding cross-holding of shares and the status of cross-shareholdings

[1] Policy regarding cross-holding of shares

We only adhere to a shareholding policy insofar as it is judged to contribute to the improvement of medium- and long-term corporate value of the Company and the Group from the perspectives of strengthening business relationships, maintaining the stability of transactions with financial institutions, and maintaining or strengthening cooperative business relationships.

When any stocks do not meet the purpose of our possession or are not recognized as being economically rational due to changes in the business environment or other factors, we will reduce them accordingly.

We will periodically verify the appropriateness of the purpose, the quantitative and qualitative benefits arising from business transactions, and the economic rationality of the risks held of all stocks that we possess. We report the results of this verification to the Board of Directors, and the content is examined carefully.

[2] Status of cross-shareholdings (investments in equity securities held for purposes other than pure investment)

Based on the above policy, in FY2026/3 we sold all our shareholdings in 5 issues of listed 14 stocks and part of our shareholdings in one issue of listed stocks. As of the end of FY2026/3, the Company has cross-shareholdings of shares in 36 companies, which is equivalent to 36 billion yen reported on the balance sheet. Although the increase in mark-to-market valuation resulting from the rise in share prices, the amount reported on the balance sheet decreased due to the ongoing sale of cross-held shares as planned.

		157 <sup>th</sup> FY (FY2023/3)	158 <sup>th</sup> FY (FY2024/3)	159 <sup>th</sup> FY (FY2025/3)	160 <sup>th</sup> FY (FY2026/3)
Number of issues of stocks (issues)	Unlisted stocks	26	27	26	27
	Listed stocks	22	20	14	9
	Total	48	47	40	36
Amount reported in Balance Sheet (100 million yen)	Unlisted stocks	13	19	10	10
	Listed stocks	576	692	449	350
	Total	589	712	459	360
Ratio of consolidated net assets (%)		19.0	19.0	12.2	9.7

[3] Status of cross-shareholdings (total of investments in equity securities held for purposes other than pure investment and deemed holdings of shares)

	157 <sup>th</sup> FY (FY2023/3)	158 <sup>th</sup> FY (FY2024/3)	159 <sup>th</sup> FY (FY2025/3)	160 <sup>th</sup> FY (FY2026/3)
Total amount of cross-shareholdings (100 million yen)	730	925	638	547
Ratio of consolidated net assets (%)	23.5	24.7	17.0	14.8

[4] Plans for reduction going forward

When any stocks do not meet the purpose of our possession or are not recognized as being economically rational due to changes in the business environment or other factors, we will expedite the sales of stocks after considering various conditions such as impacts on markets and financial strategy of issuers, etc.

The ratios of the balance of cross-shareholdings (excluding deemed holdings of shares) and the balance of cross-shareholdings (including deemed holdings of shares) to the consolidated net assets under the next mid-term management strategy are expected to change as shown below:

	161 <sup>th</sup> FY (FY2027/3)	162 <sup>th</sup> FY (FY2028/3)	163 <sup>th</sup> FY (FY2029/3)	164 <sup>th</sup> FY (FY2030/3)	165 <sup>th</sup> FY (FY2031/3)
Total amount of cross- shareholdings (excluding deemed holding of shares) (100 million yen)	351	283	210	160	160
Ratio of consolidated net assets (%)	9.5	7.6	5.7	4.3	4.3

Total amount of cross-shareholdings (including deemed holdings of shares) (100 million yen)	538	470	397	347	347
Ratio of consolidated net assets (%)	14.5	12.7	10.7	9.4	9.4

Note: Plans for reduction are based on the information currently available to the Company and certain assumptions considered reasonable. Actual changes may differ from the plans due to various factors.

(Attachment 2 to the Company's Business Report for the 160th Fiscal Year)

Standards for Independence of Outside Directors/Audit & Supervisory Board Members

The independence of Outside Directors/Audit & Supervisory Board Members of the Company refers to such a person being independent from the Company's management without falling under any of the following:

1. A person executing the business, etc. ("Executing Person") of the Company (\*1) and its affiliates (hereinafter, "the Group") and their relatives, etc. (\*2);
  2. A party for which the Group is a principal business partner (\*3) or an Executing Person thereof;
  3. A principal business partner of the Group (\*4) or an Executing Person thereof;
  4. A major shareholder of the Company (\*5) or an Executing Person thereof;
  5. A director and other Executing Person of an organization (\*6) that has received a certain amount or more of donations or subsidies from the Group;
  6. A consultant, certified public accountant or other accounting professional, or attorney or other legal professional who has received a substantial amount of monetary compensation or other consideration other than director / audit & supervisory board member compensation from the Group (\*7) (if the party receiving such consideration is a corporation, association or other entity, a person belonging to the said entity or a person who has belonged to the said entity in the past three years).
- (\*1) An Executing Person refers to those who conduct business operations or conducted business operations within the past three years, including directors (excluding Outside directors), executive officers and employees.
- (\*2) Relatives refer to relatives within the second degree of kinship of those who conduct important business operations, including directors (excluding Outside directors), executive officers and division managers.
- (\*3) A party for which the Group is a principal business partner refers to a business partner group (which means entities that belong to the consolidated group to which the direct business partner belongs; the same shall apply hereinafter) that supplies products and services to the Group, where the business partner group's trading amount with the Group exceeds 2% of the consolidated sales of the business partner group in the any of the recent past three fiscal years.
- (\*4) A principal business partner of the Group refers to those who fall under either of the following:
- (1) A business partner group to whom the Group supplies products and services, where the Group's trading amount with such group exceeds 2% of the Group's consolidated sales in the any of the recent past three fiscal years.
  - (2) A financial institution group (which means entities that belong to the consolidated group to which the direct lender belongs) from which the Group has borrowed funds, where the total amount of the Group's borrowings from the financial institution group exceeds 2% of the Group's consolidated total assets at the end of the any of the recent past three fiscal years.
- (\*5) A major shareholder of the Company refers to those who directly or indirectly hold voting interests of 10% or more.
- (\*6) An organization that has received a certain amount or more of donations or subsidies from the Group refers to public interest incorporated foundations, public interest incorporated associations, non-profit organizations, etc. which receive donations or subsidies of over 10 million yen per year within any of the past three years from the Group.
- (\*7) A consultant, certified public accountant or other accounting professional, or attorney or other legal professional who has received a substantial amount of monetary compensation or other consideration other than director / audit & supervisory board member compensation from the Group refers to those who received such consideration other than director / audit & supervisory board member compensation of over 10 million yen from the Group in any of the recent past three fiscal years or those who belong to an entity which receives such consideration from the Group in amount exceeding 2% of the said entity's consolidated sales or gross income.

(Reference) Initiatives to Improve the Effectiveness of the Board of Directors

The Company conducts an effectiveness evaluation of the Board of Directors every year and publishes its outline to maintain and improve its effectiveness and optimize its corporate governance.

The overview of initiatives for FY2026/3 is as follows.

1. FY2026/3 initiatives based on the FY2025/3 effectiveness evaluation

Based on the FY2025/3 effectiveness evaluation, we pursued various initiatives in FY2026/3 to help further enhance the quality of discussion in the Board of Directors. These initiatives included allocating time for the discussion of reports on the implementation of management strategies, and progress on sustainability and human-capital related initiatives, and also a review of the ideal form of board materials to facilitate effective discussion. Furthermore, this fiscal year, we also focused on discussions regarding the formulation of a new mid-term strategy.

2. Overview of effectiveness evaluation process for FY2026/3 and evaluation results

Evaluation process	A questionnaire was distributed to all Directors and Audit & Supervisory Board Members, and the responses were studied in further detail in individual interviews, after which, the results, compiled and analyzed by the office, were reported and discussed at the Board of Directors.
Main evaluation items	<ul style="list-style-type: none"><li>- Composition of the Board of Directors</li><li>- Contents of discussions, resolutions, reports, etc.</li><li>- Operation of the Board of Directors</li></ul>
Overview of evaluation results	<p>The Board of Directors engaged in productive discussions, with Outside Directors and Audit &amp; Supervisory Board Members actively offering their opinions. We confirmed that the effectiveness of the Board is generally satisfactory.</p> <p>On the other hand, there were some issues that needed to be addressed to improve the Board's effectiveness. The main issues pointed out were:</p> <ul style="list-style-type: none"><li>(1) Board composition issues<ul style="list-style-type: none"><li>- Further discussions on the process for appointing senior management.</li></ul></li><li>(2) Board deliberation issues<ul style="list-style-type: none"><li>- Necessity of formulating an annual agenda, which was discussed in advance at the board meeting.</li></ul></li><li>(3) Board operation issues<ul style="list-style-type: none"><li>- Further consideration regarding the provision of information that contributes to appropriate decision-making (technical terms, in-house jargon, etc.)</li><li>- Discussions on the ideal role of chairperson of the Board of Directors.</li></ul></li></ul>
Actions to be taken	It was confirmed that the Company will further enhance effectiveness through discussions on the above issues at the Board of Directors for FY2027/3 and ongoing initiatives going forward.