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Stock Exchange Code: 7914
June 7, 2022

To Shareholders with Voting Rights:

Yoshiaki Fujimori
Representative Director & President
Kyodo Printing Co., Ltd.
4-14-12 Koishikawa, Bunkyo-ku, Tokyo

NOTICE OF THE 142nd ANNUAL GENERAL MEETING OF SHAREHOLDERS

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

The 142nd Annual General Meeting of Shareholders of Kyodo Printing Co., Ltd. (the “Company”) will be held for the purposes as described below.

You can exercise your voting rights in writing or via the Internet, etc., instead of attending the meeting in person. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by referring to the Instructions for the Exercise of Voting Rights, no later than 6:00 p.m. on Tuesday, June 28, 2022, Japan time.

1. Date and Time: Wednesday, June 29, 2022 at 10:00 a.m. Japan time

2. Place: **Kyodo Printing Co., Ltd. Head Office, 1F Hall**
located at 4-14-12 Koishikawa, Bunkyo-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 142nd Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Accounting Auditor and the Board of Company Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 142nd Fiscal Year (April 1, 2021 - March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Seven (7) Directors
Proposal 4: Election of One (1) Company Auditor
Proposal 5: Renewal of the Measures against Large-scale Purchases of the Company’s Shares (Takeover Defense Measures)

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<https://www.kyodoprinting.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Distribution of Surplus

Upon consideration of the stable return of profits to shareholders and future management initiatives, the Company proposes the following appropriation of surplus.

Items Related to the Year-end Dividend

1) Type of dividend property

Cash

2) Items related to the allocation of dividend property and its total amount

50 yen per common share

Total amount will be 412,851,350 yen, and the annual dividend will be a total of 100 yen per share including the interim dividend.

3) Effective date of the distribution of surplus

June 30, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

The business purposes set forth in Article 2 (Purpose) of the current Articles of Incorporation shall be augmented and amended in response to the expansion of the Company’s business.

Additionally, the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 20, Paragraph 1 provides that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 20, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure and deemed provision of the reference documents for the general meeting of shareholders, etc. (Article 20 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Purpose)	(Purpose)
Article 2 The purpose of the Company shall be to engage in the following businesses.	Article 2 The purpose of the Company shall be to engage in the following businesses.
(1) – (15) (Omitted)	(1) – (15) (Unchanged)
(16) Manufacture of pharmaceuticals, medicaments, cosmetics, and medical devices (Newly established)	(16) Manufacture <u>and sale</u> of pharmaceuticals, medicaments, cosmetics, and medical devices
(17) – (19) (Omitted)	<u>(17) Manufacture and sale of raw materials for functional materials</u>
(Newly established)	(18) – (20) (Unchanged)
(Newly established)	<u>(21) Funds settlement services</u>
(20) – (21) (Omitted)	<u>(22) Resource recycling business</u>
	(23) – (24) (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="172 170 737 259"><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.)</u></p> <p data-bbox="172 318 769 667"><u>Article 20 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p data-bbox="363 698 593 730">(Newly established)</p> <p data-bbox="363 1115 593 1146">(Newly established)</p>	<p data-bbox="1056 170 1168 201">(Deleted)</p> <p data-bbox="810 698 1264 730"><u>(Measures for Electronic Provision, etc.)</u></p> <p data-bbox="810 734 1407 891"><u>Article 20 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></p> <p data-bbox="817 896 1407 1115"><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p data-bbox="810 1120 1120 1151"><u>(Supplementary Provisions)</u></p> <p data-bbox="817 1155 1407 1406"><u>1. The amendments to Article of the Articles of Incorporation shall come into effect on September 1, 2022 (the “Effective Date”), which is the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019).</u></p> <p data-bbox="817 1411 1407 1697"><u>2. Notwithstanding the provisions of the preceding paragraph, Article 20 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p data-bbox="817 1702 1407 1881"><u>3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of Seven (7) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of seven (7) Directors is proposed.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities at the Company	Member of the Nominating and Compensation Committee*
1	[Reappointment] Yoshiaki Fujimori	Representative Director & President In charge of Internal Audit Division and Secretarial Division	•
2	[Reappointment] Hidenori Watanabe	Director & Senior Managing Executive Officer General Manager of Group Corporate Headquarters and General Manager of Corporate Planning Headquarters	
3	[Reappointment] Hirotaaka Matsuzaki	Director & Senior Managing Executive Officer Supervising Group sales	
4	[Reappointment] Takaharu Takahashi	Director & Managing Executive Officer General Manager of Production Supervisory Headquarters and in charge of Technology Supervisory Division and IT Supervisory Division	
5	[Reappointment] [Independent] [Outside] Mika Takaoka	Director	• (Chairperson)
6	[Reappointment] [Independent] [Outside] Tsuneo Naito	Director	•
7	[Reappointment] [Independent] [Outside] Yosuke Mitsusada	Director	

* The Nominating and Compensation Committee has three members (including two Outside Directors) as of April 1, 2022.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	<p>Yoshiaki Fujimori (May 20, 1949)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 18 out of 19 meetings</p> <p>[Years of service as Director] 18 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>April 1976</p> <p>April 1998</p> <p>April 2003</p> <p>April 2004</p> <p>June 2004</p> <p>June 2006</p> <p>June 2010</p> <p>April 2011</p> <p>May 2011</p> <p>June 2013</p> <p>[Responsibilities]</p>	<p>Joined the Company</p> <p>General Manager of Legal Division</p> <p>General Manager of Technology Development Division, Technical Supervisory Division and General Manager of Legal Division</p> <p>General Manager of Technical Supervisory Division</p> <p>Director and General Manager of Technical Supervisory Division</p> <p>Managing Director</p> <p>Senior Managing Director</p> <p>Senior Managing Director and General Manager of Accounting Division</p> <p>Senior Managing Director</p> <p>Representative Director & President (current position)</p> <p>Internal Audit Division and Secretarial Division</p>	16,100
<p>[Reason for nomination as a candidate for Director]</p> <p>Since joining the Company, the candidate has held important positions in the legal affairs and intellectual property division and technical supervisory division, and has abundant experience and knowledge of overall management as President, who is chief executive officer of business execution. The Company has judged that he is an appropriate person to continue to take on the duties of Director, such as important management decisions and supervision of business execution of the Company, and renominated him as a candidate for Director.</p>				
2	<p>Hidenori Watanabe (September 3, 1959)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 19 out of 19 meetings</p> <p>[Years of service as Director] 11 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>April 1982</p> <p>March 2006</p> <p>April 2009</p> <p>April 2011</p> <p>May 2011</p> <p>June 2011</p> <p>October 2012</p> <p>April 2013</p> <p>June 2014</p> <p>June 2016</p> <p>April 2020</p> <p>April 2022</p>	<p>Joined The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>General Manager of American Fund Office, ALM Department of Mizuho Corporate Bank, Ltd.</p> <p>General Manager of Global Credit Investment Department of Mizuho Corporate Bank, Ltd.</p> <p>Joined the Company</p> <p>General Manager of Accounting Division</p> <p>Director and General Manager of Accounting Division</p> <p>Director, General Manager of Accounting Division, and General Manager of Legal Division</p> <p>Director and General Manager of Accounting Division</p> <p>Director and General Manager of Business Management Headquarters</p> <p>Director & Managing Executive Officer and General Manager of Corporate Planning Headquarters</p> <p>Director & Senior Managing Executive Officer and General Manager of Group Corporate Headquarters</p> <p>Director & Senior Managing Executive Officer, General Manager of Group Corporate Headquarters and General Manager of Corporate Planning Headquarters (current position)</p>	5,100
<p>[Reason for nomination as a candidate for Director]</p> <p>The candidate has served as General Manager of Accounting Division, General Manager of Legal Division, General Manager of Business Management Headquarters, and General Manager of Corporate Planning Headquarters, and is currently Director & Senior Managing Executive Officer, while acting as General Manager of Group Corporate Headquarters and General Manager of Corporate Planning Headquarters. He has abundant experience and knowledge of overall management. The Company has judged that he is an appropriate person to continue to take on the duties of Director, such as important management decisions and supervision of business execution of the Company, and renominated him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3	Hiroataka Matsuzaki (May 8, 1961) [Reappointment] [Attendance at the Board of Directors meetings] 19 out of 19 meetings [Years of service as Director] 4 years (at the conclusion of this General Meeting of Shareholders)	April 1984	Joined the Company	3,400
		April 2006	General Manager of Sales Department II, Sales Division I, Business Division I	
		April 2009	General Manager of Sales Division I, Publication Printing & Information Division	
		June 2013	General Manager of Publication Printing & Information Division	
		June 2016	Senior Executive Officer and General Manager of Publication Printing & Information Division	
		April 2017	Senior Executive Officer Deputy General Manager of Information & Communication Headquarters	
		April 2018	Managing Executive Officer and General Manager of Information & Security Headquarters	
		June 2018	Director & Managing Executive Officer	
		April 2021	General Manager of Information & Security Headquarters Director & Senior Managing Executive Officer Supervising information system business	
		April 2022	Director & Senior Managing Executive Officer Supervising Group sales (current position)	
[Reason for nomination as a candidate for Director] The candidate has held important positions mostly in information and communication division, and supervises currently Group sales as Director & Senior Managing Executive Officer. He has abundant experience and knowledge of overall management. The Company has judged that he is an appropriate person to continue to take on the duties of Director, such as important management decisions and supervision of business execution of the Company, and renominated him as a candidate for Director.				
No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
4	Takaharu Takahashi (August 7, 1962) [Reappointment] [Attendance at the Board of Directors meetings] 15 out of 15 meetings [Years of service as Director] 1 year (at the conclusion of this General Meeting of Shareholders)	April 1985	Joined the Company	1,800
		April 2006	General Manager of Goka Plant, Printing & Finishing Division, Headquarters Production Division	
		April 2011	General Manager of Production Division, Publications & Commercial Printing Division	
		April 2013	General Manager of Facilities & Environment Division	
		April 2016	General Manager of Production Supervisory Headquarters	
		June 2016	Executive Officer and General Manager of Production Supervisory Headquarters	
		April 2019	Senior Executive Officer and General Manager of Production Supervisory Headquarters	
		April 2021	Managing Executive Officer and General Manager of Production Supervisory Division	
		June 2021	Director & Managing Executive Officer and General Manager of Production Supervisory Division (current position)	
		[Responsibilities]	Technology Supervisory Division and IT Supervisory Division	
[Reason for nomination as a candidate for Director] The candidate has held important positions mostly in production division, and is currently Director & Managing Executive Officer while acting as General Manager of Production Supervisory Headquarters and being in charge of the Technology Supervisory Division and IT Supervisory Division. He has abundant experience and knowledge in overall management. The Company has judged that he is an appropriate person to take on the duties of Director, such as important management decisions and supervision of business execution of the Company, and renominated him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
5	<p>Mika Takaoka (June 19, 1968)</p> <p>[Reappointment] [Independent] [Outside]</p> <p>[Attendance at the Board of Directors meetings] 19 out of 19 meetings</p> <p>[Years of service as Director] 7 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>April 2001</p> <p>April 2002</p> <p>April 2006</p> <p>April 2007</p> <p>April 2009</p> <p>May 2011</p> <p>May 2014</p> <p>June 2014</p> <p>June 2015</p> <p>June 2018</p> <p>May 2019</p> <p>[Significant concurrent positions]</p>	<p>Assistant Professor of Institute for Economic Research, Osaka City University</p> <p>Assistant Professor of College of Economics, Rikkyo University</p> <p>Assistant Professor of College of Business, Rikkyo University</p> <p>Associate Professor of College of Business, Rikkyo University</p> <p>Professor of College of Business, Rikkyo University (current position)</p> <p>Outside Corporate Auditor of FamilyMart Co., Ltd.</p> <p>Outside Director of TSI HOLDINGS CO., LTD.</p> <p>Outside Director of MOS FOOD SERVICES, INC. (current position)</p> <p>Outside Director of the Company (current position)</p> <p>Outside Director of SG HOLDINGS CO., LTD. (current position)</p> <p>Outside Director of FamilyMart UNY Holdings Co., Ltd. (currently FamilyMart Co., Ltd.)</p> <p>Professor of College of Business, Rikkyo University</p> <p>Outside Director of MOS FOOD SERVICES, INC.</p> <p>Outside Director of SG HOLDINGS CO., LTD.</p>	0
<p>[Reason for nomination as a candidate for Outside Director and a summary of expected roles]</p> <p>The candidate has specialized knowledge in business administration, etc. as university professor, and also possesses abundant experience and knowledge, including serving as outside officer of the Company and other companies. Based on such extensive experience, she has provided useful and valuable opinions and suggestions from an objective standpoint independent from Directors who conduct business execution. The Company expects that she will also provide supervision and advice, etc. on Directors' business execution from a professional perspective regarding overall management strategy. Thus, the Company has judged that she is an appropriate person for Outside Director of the Company, and renominated her as a candidate for Outside Director. If she is appointed, the Company also expects that she will examine the appointment and dismissal of officers, the officer compensation plan, etc., and will be involved in building a highly objective and transparent governance system as chairperson of the Nominating and Compensation Committee. In addition, she is expected to assume the office of chairperson of the Independent Officers Committee as Lead Independent Outside Director to activate discussions in the Board of Directors by communicating opinions and recommendations proposed at the meeting of the said committee.</p> <p>Although she has never been involved in corporate management other than having served as outside officer, the Company has judged that she is an appropriate person for a candidate for Outside Director for the above reasons.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
6	Tsuneo Naito (May 17, 1949)	April 1972	Joined SUMITOMO CORPORATION	0
	[Reappointment] [Independent] [Outside]	January 1996	Representative Director & Senior Managing Executive Officer and General Manager of Sales Division of S.C.A. Tobacco Corporation	
	[Attendance at the Board of Directors meetings] 19 out of 19 meetings	April 2000	General Manager of Luxury Items Business Dept., Agricultural and Marine Products Division of SUMITOMO CORPORATION	
	[Years of service as Director] 6 years (at the conclusion of this General Meeting of Shareholders)	August 2000	General Manager of Logistics & Insurance Administration Dept., Logistics & Insurance Business Division of SUMITOMO CORPORATION	
		April 2001	General Manager of Logistics Planning & Sales Dept., Logistics & Insurance Business Division of SUMITOMO CORPORATION	
		April 2004	Executive Officer and General Manager of Logistics & Insurance Business Division of SUMITOMO CORPORATION	
		April 2006 April 2009	President of Sumisho Global Logistics Co., Ltd. President and Representative Director of Chiba Kyodo Silo Co.,Ltd.	
	June 2016	Outside Director of the Company (current position)		
<p>[Reason for nomination as a candidate for Outside Director and a summary of expected roles]</p> <p>The candidate has a track record of engaging in corporate management in multiple industrial companies, and has abundant experience and knowledge accumulated through these activities. Based on such extensive experience, he has provided useful and valuable opinions and suggestions from an objective standpoint independent from Directors who conduct business execution. The Company expects that he will also provide supervision and advice, etc. on Directors' business execution from a professional perspective regarding overall corporate management. Thus, the Company has judged that he is an appropriate person for Outside Director of the Company, and renominated him as a candidate for Outside Director. If he is appointed, the Company also expects that he will examine the appointment and dismissal of officers, the officer compensation plan, etc., and will be involved in building a highly objective and transparent governance system as a member of the Nominating and Compensation Committee.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	<p>Yosuke Mitsusada (December 24, 1963)</p> <p>[Reappointment] [Independent] [Outside]</p> <p>[Attendance at the Board of Directors meetings] 15 out of 15 meetings</p> <p>[Years of service as Director] 1 year (at the conclusion of this General Meeting of Shareholders)</p>	<p>April 1986 Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p>October 1999 Joined Unison Capital, Inc.</p> <p>May 2002 Corporate Auditor of Tohato Inc.</p> <p>July 2002 Director of Bolsa Co., LTD. (current position)</p> <p>May 2004 Corporate Auditor of Drug Eleven Co., Ltd.</p> <p>June 2004 Corporate Auditor of Orient Credit Co., Ltd.</p> <p>June 2004 Corporate Auditor of Mine-Mart Holdings Co., Ltd.</p> <p>March 2005 Joined Asuka Asset Management Limited (currently Aizawa Asset Management Co., Ltd.)</p> <p>April 2007 Associate Professor of School of Management, SANNO University</p> <p>April 2012 Professor of School of Management, SANNO University (current position)</p> <p>July 2013 Joined Asuka Asset Management Limited (currently Aizawa Asset Management Co., Ltd.)</p> <p>August 2013 Director and Founding Partner of Asuka Corporate Advisory Co., Ltd. (current position)</p> <p>November 2016 Outside Director of Yume no Machi Souzou Inkai Co., Ltd. (currently Demae-can Co., Ltd.)</p> <p>June 2019 Outside Director of PHYZ, Inc. (currently PHYZ Holdings Inc.) (current position)</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions] Professor of School of Management, SANNO University Outside Director of PHYZ Holdings Inc.</p>	0
<p>[Reason for nomination as a candidate for Outside Director and a summary of expected roles] The candidate has a track record of engaging in practical operations relating finance, investment and M&A in multiple investment companies, and has abundant experience and knowledge, including serving as outside officer in other companies. Based on such extensive experience, he can provide useful and valuable opinions and suggestions from an objective standpoint independent from Directors who conduct business execution. The Company expects that he will also provide supervision and advice, etc. on Directors' business execution from a professional perspective regarding overall corporate finance. Thus, the Company has judged that he is an appropriate person for Outside Director of the Company, and renominated him as a candidate for Outside Director. If he is appointed, the Company also expects that he will be involved in strengthening cooperation with the Board of Directors to enhance corporate governance from an objective standpoint as a member of the Independent Officers Committee.</p>			

(Notes)

1. There are no special interests between each of the candidates for Director and the Company.
2. Ms. Mika Takaoka, Mr. Tsuneo Naito, and Mr. Yosuke Mitsusada are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act.
Each of them satisfies the criteria to determine the independence established by the Company, in addition to the requirements for Independent Directors/Auditors stipulated by the Tokyo Stock Exchange, Inc.
3. Liability limitation agreements with Directors (excluding Executive Directors, etc.)
The Company has entered into agreements with Ms. Mika Takaoka, Mr. Tsuneo Naito and Mr. Yosuke Mitsusada in accordance with Article 31 of the Company's Articles of Incorporation to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, and the maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations. If their election is approved and resolved, the Company plans to retain the said liability limitation agreements.
4. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract stipulated in Article 430-3, Paragraph 1 of the Companies Act covering all Directors as the insured to ensure that officers can fully perform their expected roles in the course of their duties and to allow the Company to obtain superior talent. The insurance premiums are fully borne by the Company. If this proposal is approved as originally proposed, each candidate will be the insured under the said insurance contract.
The Company has entered into a main contract and a different condition insurance, respectively, and damage caused as a result of the insured officers, etc., including Directors of the Company, assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities shall be covered under the said insurance contracts. Provided, however, that there are certain exemptions; for example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered, and the Company takes measures to ensure the appropriateness of the execution of the insured's duties. Also, the said insurance contracts will be renewed with the same contents in September 2022, which is during the term of office of each candidate.
5. FamilyMart Co., Ltd., where Ms. Mika Takaoka served as Outside Director from May 2019 to February 2021, received an order for action based on the Act against Unjustifiable Premiums and Misleading Representations (hereinafter referred to as the "Premiums and Representations Act") from the Consumer Affairs Agency as of March 30, 2020, which says that there is a representation which misleadingly gives significantly superior images to goods or services, prohibited under law, regarding the package of original product of the said company "Famima Bakery Bataa Kaoru Motchiritoshita Shokupan (FamilyMart Bakery Chewy White Bread with Rich Butter Flavor)." Although she was not aware of the violation in advance, she habitually made remarks at the Board of Directors, etc. to ensure thorough legal compliance. After said violation was found, she fulfilled her responsibilities by providing advice and opinions on investigation of the cause and the measures to prevent recurrence, etc.
6. Regarding bidding for specific data printing services ordered by the Japan Pension Service, the Company committed an act that violated the provisions of Article 3 of the Antimonopoly Act (prohibition of unreasonable restraint of trade) between May 6, 2016 and October 7, 2019 at the latest, and on March 3, 2022, the Company received a cease and desist order and a surcharge payment order from the Japan Fair Trade Commission. Although Ms. Mika Takaoka and Mr. Tsuneo Naito, who were in office during the period of violation, were not aware of the violation in advance, they habitually made remarks at the Board of Directors, etc. to ensure thorough legal compliance. After said violation was found, they fulfilled their responsibilities by providing advice and opinions on investigation of the cause, the measures to prevent recurrence, and the establishment of internal rules, etc. In addition, Mr. Yosuke Mitsusada was appointed after the violation occurred, but since taking office, he has worked in collaboration with the other Outside Directors to provide advice and opinions on investigation of the cause, the measures to prevent recurrence, and the establishment of internal rules, etc.

(Reference)

Policy and procedures for appointment of Directors

In order to execute appropriate supervision and decision-making, the Company makes efforts to ensure diversity in the Board of Directors, as well as to optimize the scale of the Board of Directors. The Board of Directors consists of Inside Directors, who possess abundant experience in business operations and expertise, and Independent Outside Directors, who supervise the management team, emphasizing the interests of shareholders while utilizing a high level of expertise, with comprehensive consideration to the balance of knowledge, experience, and capabilities. Moreover, the Company appoints several Independent Outside Directors who satisfy the standards for Independent Directors stipulated by Tokyo Stock Exchange, as well as the requirements in the criteria to determine the independence established by the Company. Based on the above policy, the Board of Directors determines candidates for Director. In addition, when determining the appointment of candidates for Director, the Board of Directors seeks to improve the objectivity and transparency of decision-making procedures by respecting the reports of the Nominating and Compensation Committee, which conducts deliberations upon consultation made by the Board of Directors. The Nominating and Compensation Committee is an arbitrary advisory organ to the Board of Directors in which the majority of its members is made up of Independent Outside Directors and the chairperson is an Independent Outside Director.

Additionally, to clarify responsibility for management in each fiscal year, the term of office for Directors is set at one year. We maintain managerial and organizational stability by reasonable measures, such as cutting one's fixed compensation by up to 10%, interviews by members of the Nominating and Compensation Committee, and retirement thereof, against Inside Directors who fall behind the assessment of performance to a certain degree.

Kyodo Printing's Criteria to Determine the Independence of Outside Officers

Kyodo Printing Co., Ltd. (hereinafter referred to as the "Company") has established the criteria to determine independence of Outside Directors and Outside Company Auditors (hereinafter referred to as "Outsider Officers") as follows. Outside Officers (including candidates thereof; the same applies hereinafter) who does not meet any of the items below are judged independent from the Company's management team.

1. A person who currently serves as or has served as an executive (*1) of the Company or the Company's affiliated companies (hereinafter, referred to as the "Company Group") within the past ten years. For Outside Company Auditors, a person who has been a Director or employee of the Company Group.
2. A person or organization of that the Company Group is a main trading partner (*2) or an executive thereof.
3. A person or organization that is one of the Company Group's main trading partner (*2) or an executive thereof.
4. A consultant, accounting professional, or legal professional who has received substantial money or other assets other than compensation for Officers (*3) from the Company Group (if the person or organization receiving said assets is a corporation, partnership, or other such organization, this stipulation extends to members of that organization).
5. A person or organization or an executive thereof that has received substantial a donation (*4) from the Company Group (if the person or organization receiving said donation is a corporation, partnership, or other such organization, this stipulation extends to members of that organization).
6. A major shareholder of the Company (a person or organization that holds 10% or more of the total voting rights of the Company or an executive thereof).
7. An executive at an organization with which the Company Group has a relationship of mutual appointments of outside officers (*5).

8. A person who meet or met one of the items from item 2 to item 7 of the above currently or during the past ten years.
9. A person who has a close relative (spouse or relative within the second degree of kinship) who meets one of the item from item 1 to item 8 above.
- (*1) An “executive” refers to executive as stipulated in Article 2, Paragraph 3, Item 6 of the Regulation for Enforcement of the Companies Act, it includes both Executive Directors and employees, but excludes Company Auditors.
- (*2) A “main trading partner” refers to a person/organization that meets one of the below.
- 1) A trading partner that provides products and services, etc. to the Company Group, and to which the Company Group has paid total amounts that consist of 3% or more of the consolidated sales of the trading partner in each of the last three fiscal years up to the most recent fiscal year, respectively.
 - 2) A trading partner to which the Company Group provides products and services, etc., and has paid total amounts that consist of 3% or more of the consolidated sales of the Company Group in each of the last three fiscal years up to the most recent fiscal year, respectively.
- (*3) “Substantial money or other assets” refers to cases where the Company Group has paid more than 10 million yen in money or other assets annually in each of the last three fiscal years up to most recent fiscal year, respectively. If the person/organization receiving such assets is a corporation, partnership, or other such organization, it refers to the cases in which the Company Group has paid total amounts that consist of 3% or more of the consolidated sales of such organization in each of the last three fiscal years up to the most recent fiscal year, respectively.
- (*4) “Substantial donation” refers to cases where the Company Group has donated more than 10 million yen in each of the last three fiscal years up to most recent fiscal year, respectively. If the person/organization receiving such donations is a corporation, partnership, or other such organization, it refers to the cases in which the Company Group has donated total amounts that consist of 3% or more of the total annual income of such organization in each of the last three fiscal years up to the most recent fiscal year, respectively.
- (*5) A “relationship of mutual appointments of outside officers” refers to a relationship where a person who works/worked for the Company Group serves as an Outside Officer of a certain company, while a person who works/worked for said company serves as an Outside Officer of the Company Group.

Established on April 1, 2021

(Reference)

The Company formulates the specialties and experience, etc. we expect from Directors and Company Auditors in light of our business strategies, to make appropriate arrangement of knowledge, experience, and capabilities for the Board of Directors as a whole.

If Proposal 3 and Proposal 4 are approved, the composition of the Officers, including Company Auditors, will be as follows.

Name	Specialties and experience, etc. the Company expects from the Officers					
	Corporate management, business strategies	Sales, marketing	Production, technology, IT	International business	Legal affairs, risk management, governance	Monetary affairs, accounting, finance
Directors	Yoshiaki Fujimori	•	•		•	•
	Hidenori Watanabe	•		•	•	•
	Hirotsugu Matsuzaki	•	•	•		
	Takaharu Takahashi	•		•		
	Mika Takaoka [Independent] [Outside]	•	•			
	Tsuneo Naito [Independent] [Outside]	•	•		•	
	Yosuke Mitsusada [Independent] [Outside]	•			•	•
Company Auditors	Mikihiko Shiozawa				•	•
	Hideo Akimoto				•	•
	Takaki Tokuoka [Independent] [Outside]				•	•
	Masahiko Furutani [Independent] [Outside]	•			•	•

* The table above is not a complete representation of all specialties and experience possessed by Officers.

Proposal 4: Election of One (1) Company Auditor

Company Auditor Mitsuhiro Fuse will resign at the end of this General Meeting of Shareholders. Accordingly, the election of one (1) Company Auditor is proposed as a substitute.

This proposal has received the consent of the Board of Company Auditors.

The candidate for Company Auditor is as follows:

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
Hideo Akimoto (November 3, 1960)	April 1985	Joined the Company	1,700
[New appointment]	February 2007	Director and General Manager of Accounting Department, COSMO GRAPHIC Co., Ltd.	
[Attendance at the Board of Directors meetings]	October 2008	General Manager of Business Administration Division, Business Management Headquarters of the Company	
-	April 2016	General Manager of Personnel Division	
-	June 2016	Executive Officer and General Manager of Personnel Division	
-	April 2019	Senior Executive Officer and General Manager of Personnel Division	
-	April 2022	Full-time Advisor (current position)	
[Attendance at the Board of Company Auditors meetings]	-	-	
[Years of service as Director]	-	-	
[Reason for nomination as a candidate for Company Auditor] The candidate has been mainly involved in the Business Management Division for many years, and has abundant experience and a wide range of knowledge. The Company has judged that he will be able to utilize this in Company audits and supervise business execution by Directors from an objective and neutral standpoint, and nominated him as a candidate for Company Auditor.			

(Notes)

1. There are no special interests between Hideo Akimoto and the Company.
2. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract stipulated in Article 430-3, Paragraph 1 of the Companies Act covering all Company Auditors as the insured to ensure that officers can fully perform their expected roles in the course of their duties and to allow the Company to obtain superior talent. The insurance premiums are fully borne by the Company. If this proposal is approved as originally proposed, Hideo Akimoto will be the insured under the said insurance contract.
The Company has entered into a main contract and a different condition insurance, respectively, and damage caused as a result of the insured officers, etc., including Company Auditors of the Company, assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities shall be covered under the said insurance contracts. Provided, however, that there are certain exemptions; for example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered, and the Company takes measures to ensure the appropriateness of the execution of the insured's duties. Also, the said insurance contracts will be renewed with the same contents in September 2022, which is during the term of office of Hideo Akimoto.

Proposal 5: Renewal of the Measures against Large-scale Purchases of the Company's Shares (Takeover Defense Measures)

The Company has introduced defense measures against large-scale purchases of the Company's shares that are considered to be against the common interests of shareholders and the enhancement of the Company's corporate value. These measures were approved by the 127th Annual General Meeting of Shareholders held on June 28, 2007, based on the provisions of Article 13 of the Company's Articles of Incorporation, the establishment of which was approved by the same meeting. These measures were renewed upon the approval of shareholders at the 139th Annual General Meeting of Shareholders held on June 27, 2019 (the defense measures against large-scale purchases of the Company's shares (takeover defense measures) renewed at that time are hereinafter referred to as the "Previous Plan").

The effect of the Previous Plan expires at the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2022, which is the conclusion of this meeting.

At the meeting of the Board of Directors held on May 13, 2022, the Directors of the Company voted unanimously to amend and renew the Previous Plan as described below, subject to the approval of this General Meeting of Shareholders. The amendments include the addition of provisions to allow the convocation of a General Meeting of Shareholders when the defense measures are put into action, and the addition of conditions for the acquisition of share acquisition rights associated with the defense measures. (The Company's takeover defense measures after this fifth renewal is hereinafter referred to as the "Plan.")

Accordingly, in order to appropriately reflect the opinions of shareholders, the Company proposes to renew the Plan by delegating authority for the determination of matters concerning the gratis allotment of share acquisition rights to the Board of Directors, in accordance with the provisions of Article 13 of the Company's Articles of Incorporation.

Measures against Large-scale Purchases of the Company's Shares (Takeover Defense Measures)

I. Basic policy on the nature of the person(s) controlling decisions on the Company's financial and business policies

The shares of the Company, which is listed company, may be traded freely by shareholders and investors. Even where a buy-up has been proposed due to a transfer of control over the Company, shareholders should be free to decide whether or not to eventually respond.

In recent years however, a trend has emerged in Japanese capital markets where certain actors effectively force through large-scale purchase proposals or similar actions, without the consent of the management of the target company. These large-scale purchases include many that do not contribute to the corporate value of the target company, or the common interests of its shareholders.

The Company considers that the person(s) controlling the Company's financial and business policies should be of a nature that fully understands the Company corporate philosophy and its various sources of corporate value, secures and enhances the Company's corporate value and the common interests of its shareholders over the medium and long term. Therefore, the Company regards any person who proposes inappropriate large-scale purchases that risk damaging the Company's corporate value and the common interests of its shareholders, or engages in similar actions, as unfit to control decisions on the Company's financial and business policies.

Moreover, where such a large-scale purchase is initiated, it is imperative that both the large-scale purchaser and the Company's Board of Directors provide the Company's shareholders with suitable and sufficient information upon which to make an appropriate judgement regarding whether or not the large-scale purchase should proceed. This information should include matters such as whether the share price indicated by the large-scale purchaser is fair and proper, the impact of the large-scale purchase on the Group, the management policy of the large-scale purchaser upon participation in the Company's management, and the opinion of the Company's Board of Directors on the large-scale purchase.

Regarding this point, although there is a mechanism for the provision of certain information by large-scale purchasers under the regulations on tender offers in the current Financial Instruments and Exchange Act, market-based large-scale purchases are not subject to the regulations on tender offers, and are therefore not subject to the mechanisms for information provision.

Moreover, even large-scale purchases subject to the regulations on tender offers are only required to provide information on a limited range of matters in the tender offer statement or tender offer explanation, compared to the information required of large-scale purchasers under the Plan.

In addition, while the Company's Board of Directors is allowed to present questions to the large-scale purchaser when it reports its opinion, it may not receive a sufficient response. Furthermore, depending on the tender offer period set by the large-scale purchaser, it is anticipated that there may not be sufficient time to consider the offer, that the Company's Board of Directors may not be able to prepare a sufficient alternative proposal, and that there may not be time to obtain opinions from objective standpoints by the Independent Committee. It is possible that shareholders may be forced to make a decision without sufficient information, or without securing sufficient time to consider whether or not to respond to the tender offer.

Upon consideration of these matters, the Company deems it necessary to implement the necessary appropriate measures, within the scope permitted by laws, regulations, and the Company's Articles of Incorporation, to secure the Company's corporate value and the common interests of its shareholders from inappropriate large-scale purchases or similar actions that risk damaging this value and interests.

II. Special initiatives to contribute to realizing the basic policy

The Company has implemented the following special initiatives to contribute to realizing the basic policy in I. above, for the purpose of enabling shareholders and investors to continue investing in the Company long term, by enhancing the Company's corporate value and the common interests of its shareholders.

The Company considers these initiatives in line with the realization of the basic policy described in I above. Moreover, these initiatives do not damage the common interests of shareholders, and are not aimed at maintaining the status of the Company's officers.

1. Management Philosophy and Management Vision

The Company was founded in 1897 as the Hakubunkan Print Factory, which built Japan's printing culture through the first part of the 20th century. The Company's corporate spirit of contributing to the development of culture through the printing business has been passed down to the present day. The Company has established its current status as a comprehensive printing business company by expanding into a wide range of business fields, from publishing, commercial printing, and other information-based businesses to lifestyle and industrial materials businesses, through its stance as a print-to-order business, valuing input from its customers and flexibly and proactively responding to changing customer needs.

The source of the Company's corporate value is the relationships of trust established during its long history, its employees, with their advanced technical abilities and the know-how to give shape to customer needs, and the continuing support of its shareholders, trading partners, local communities, and others. The Group has established the Group Management Vision to achieve its Management Philosophy: "Using our core printing business to contribute to society in the spheres of lifestyle, culture and information industries." The Group has set forth its vision for the future as follows, expressing its determination to strive as a corporate group to grow together with its customers: "We aim to become a corporate group that continues to create new value by casting customers' aspirations into shape through honest communication and technical capabilities that lead the market."

Each and every employee in all of the Group's division, from sales, manufacturing, and technology to administration, works from a "customer-first" perspective. The Group will continue to provide customers with high value-added products and services supported by its planning and proposal capabilities, unique technologies, and thorough quality control, striving to increase customer satisfaction, raise its market valuation, and achieve the truly prosperous future to which it aspires.

2. Initiatives to enhance corporate value based on the medium-term management plan

The Company's businesses mainly comprise information-based businesses such as printing and publishing, general commercial printing of pamphlets, catalogues, etc., and industrial printing of business forms, etc.; and living and industrial materials-based businesses handling products such as tubes, cartons and other packaging, and functional products such as absorbent film. With the development of the Internet and the spread of electronic media, the services demanded of printing companies have broadened

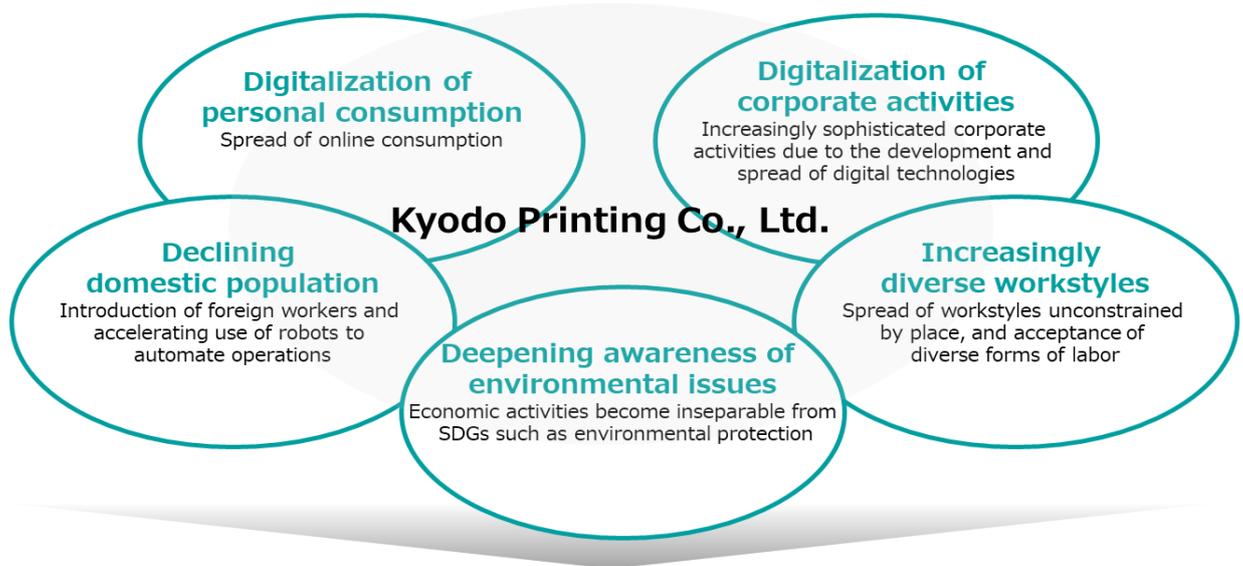
beyond the manufacture of printed matter, to include solutions to customers' business issues. In recent years, expectations are also high for new businesses and markets in anticipation of the post-COVID-19 era.

Packaging is required to be more functional, from perspectives such as enhanced safety and universal design, and there is an increasing focus on the development of environmentally-friendly products.

In this context, the Company and the Group have formulated a new medium-term management plan beginning from fiscal 2021 (a four-year plan from fiscal 2021 to fiscal 2024). We will strive to ensure the achievement of the plan through the steady implementation of key measures and measures for each business, from a company-wide perspective, and engage in business activities aimed at sustainable growth and the further enhancement of corporate value.

An overview of the medium-term management plan is shown below.

Business: Notable megatrends in the Company's business environment



We anticipate the impact of these environmental changes on the Company's businesses to include the shrinkage of paper media, the growth of digital media, the spread of BPO services, and the acceleration of business digitalization in information-based businesses, and increased demand for environmentally-friendly products and the progressive shift to simpler, higher-function packaging in living and industrial materials-based businesses. We established business strategy and key themes, etc. under the medium-term management plan based on these assumptions.

Medium-term: Take the challenge to transform the future starting point to achieve a prosperous society and create new value



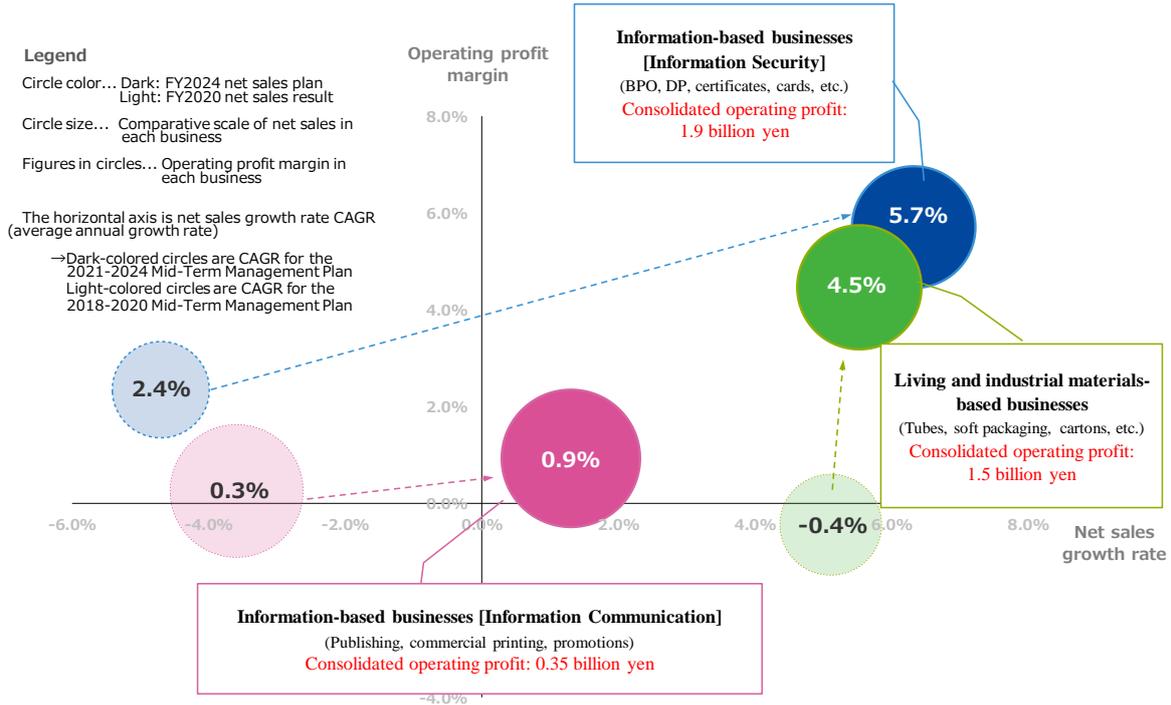
We have established a medium-term policy, “Take the challenge to transform the future starting point to achieve a prosperous society and create new value,” for the period from fiscal 2021 to fiscal 2024. By fiscal 2024, we aim to achieve an improvement in the profitability of existing businesses and develop new businesses. We established five key themes to achieve this vision. We set the period of the medium-term management plan to four years, which we consider as the time needed to strengthen the management base, etc. in preparation for future growth.

Key themes: Establishment of five key themes to raise the competitiveness of the entire group

Strengthen the business base of existing businesses	Strengthen the customer perspective, production processes, and the base for business operations to increase added value from the customer perspective
Seek new business domains	Respond to megatrends in the business environment by seeking new business pillars to leverage the Group’s strength in areas such as provided value, technology, source, etc. Four focus domains: financial, public services, healthcare, education
Environmental strategy	Contribute to achieving a sustainable society and economic growth, and accelerate the expansion of business domains across the Group, by providing products and services that leverage the Group’s strengths CO ₂ emissions: 10% reduction compared to FY2019 (26% reduction compared to FY2013)
Human resources strategy	Deploy a human resources base to fuel autonomous growth, by enhancing the motivation of human resources to take new challenges, secure personnel who can respond to change, and create environments that are work-friendly for diverse human resources, to sustainably enhance corporate value
Strengthen business administration function	Introduce an ROIC mechanism as an internal management indicator aimed at achieving the target ROE; pursue improved profitability and business operations with an awareness of raising return on investment in each business

We will also more actively promote governance reform with an awareness of “management quality,” to support these five key themes. We have always acted in accordance with the Corporate Governance Code, but in fiscal 2021 we began to announce the composition of the Board of Directors and its skills matrix, designed to reinvigorate strategic discussion aimed at sustainable growth. We are also engaged in the preparation and announcement of criteria to determine independence, the appointment of a Lead Independent Outside Director, and securing a minimum proportion of Outside Directors of one third, to strengthen the supervisory function of the Board of Directors and the advisory function to the Board of Directors. In addition, we are continuing to engage in constructive dialogue with shareholders.

Management: Targets for fiscal 2024: dividend payout ratio of 30% or more; ROE of 5%; operating profit of 3.8 billion yen



We have established three core KPIs for medium-term management targets. We target ROE of 5%, indicating the achievement of efficient asset utilization, operating profit of 3.8 billion yen, indicating the profit necessary to achieve this, and a dividend payout ratio of 30%, indicating continuing shareholder returns.

Regarding the business portfolio, we will firmly implement our strategies for each segment under the business policy below, enhancing asset efficiency through selection and focus, and improving profitability.

Business: Information-based businesses: Pivot on our strength in the printing business to achieve new value creation

Focus themes	1) Strengthen profitability of printing business ➤ Monitor market changes, distinguish among internal resources, and achieve higher profitability, including greater efficiency	• Focus on key products
		• Capture business opportunities in the content domain
	2) Achieve a digital shift in the promotions and administrative support businesses ➤ Strengthen capabilities by supporting the digitalization of customer businesses	• Personalized OMO* promotion
		• Support customer DX and leverage data

*Online Merges (with) Offline: providing customer experience, fusing online and offline to meet changing customer needs

In our information-based businesses, we will work to grow net sales and profit by implementing our focused measures on themes such as strengthening revenue in the publishing business and achieving a digital shift in the promotions and administrative support businesses.

Regarding our focus on key products to strengthen revenue in the publishing business, in paper-based publishing we will focus on cost improvements and high-revenue products, scrutinizing areas where

future growth is expected, and strengthening our services. Market growth is anticipated in digital publishing, and we will therefore endeavor to expand our range of original works, enhance business efficiency and strengthen our digital businesses through copyright agency and data production services. Regarding the capture of business opportunities in the content domain, we will aim to capture new revenue opportunities by seeking upstream business opportunities, with an awareness of the impact of digitalization on the publishing business.

In an increasingly digitalized world, we perceive that customer acquisition will be difficult through either purely real-life or purely online promotions. Given this environment, we will strengthen our services that fuse online and offline content, and actively promote support for customers' digital shift. Until now, BPO was an important part of the existing business we received, but we will provide support not only for contacted BPO but also for digitalization that will lead to more efficient operations for our customers. Through these services, we aim to capture revenue opportunities that leverage data for our customers as well.

Business: Living and industrial materials-based businesses: Firmly establish our status as a package solution vendor

Focus themes	1) Expand out range of environmentally-friendly products	<ul style="list-style-type: none"> Expand our range of non-plastic products and promote CO₂ and VOC reductions
	2) Expand our value chain	<ul style="list-style-type: none"> Expand our value chain beginning with our strength in processing, and strengthen inter-regional coordination
	3) Strengthen ASEAN business	<ul style="list-style-type: none"> Expand sales in ASEAN markets, centered on Vietnam and Indonesia Focus on domains where we can leverage our technological advantage

In our living and industrial materials-based businesses, we will first focus on expanding our range of non-plastic packaging and other products with better freshness preservation attributes, based on our policy to actively engage in environmental issues and food loss, which are becoming important social issues.

Next, we will work to expand the value chain, starting from our strength in materials conversion, and enhance our comprehensive packaging capabilities through the development of periphery products that leverage our existing strengths, to expand our total packaging solutions from a medium and long term perspective.

Overseas, we aim to strengthen our brand by expanding our products across all of Asia in the future. Through the continuing development and production of products for the Japanese market, we have established a production system for laminated tubes that can respond accurately to customer needs, and a system to provide functional packaging that is both comfortable to use and highly functional. We will leverage these advantages to strengthen alliances in the ASEAN region, centered on Vietnam and Indonesia, and establish production and sales systems for laminated tubes to ASEAN specifications. To reinforce our status in Asia, we will also consider the sale of products such as laminated packaging materials and blow bottles, in addition to laminated tubes.

In this way, we consider that the steady implementation of various measures in each business will contribute to enhancing the Company's corporate value and the common interests of its shareholders. With flexible and reasonable ideas unconstrained by the past, and a transformational perspective, we will strive wholeheartedly to expand into new businesses beyond printing, improve profitability and growth, and achieve the goals of our medium-term management plan.

3. Initiatives to strengthen corporate governance

The Company regards raising management efficiency, soundness, and transparency and strengthening corporate governance as important ways to sustainably enhance the Company's corporate value and the common interests of its shareholders.

The Company's officers comprise eight (8) Directors (it is planned to have seven (7) Directors at the conclusion of this General Meeting of Shareholders), including three (3) Outside Directors, and four (4) Company Auditors, including two (2) Outside Company Auditors. All five (5) Outside Directors and Outside Company Auditors have been registered as Independent Directors/Auditors with the Tokyo Stock Exchange. Outside Directors and Outside Company Auditors are appointed who satisfy not only the independence standards set by the Tokyo Stock Exchange, but also the Company's own Criteria to Determine the Independence of Outside Officers, and who it is recognized have no risk of a conflict of interest with general shareholders. The Company has established the Independent Officers Committee, composed of these Independent Outside Directors and Independent Outside Company Auditors to promote better exchange of information between Independent Officers, and strengthen their advisory function, centered on the Lead Independent Outside Director, who chairs the Independent Officers Committee. The Independent Officers Committee Regulations stipulate that the Lead Independent Outside Director may advise the Board of Directors or request an exchange of opinions, and the Company has established mechanisms to enable the Representative Director and Board of Directors to receive various advice concerning management and other issues, as necessary. The Standing Company Auditor attends meetings as an observer. The Company endeavors to further strengthen corporate governance through stronger coordination between Independent Outside Directors and Company Auditors. In addition, it holds biannual opinion exchange meetings between the President, Independent Officers, and the Standing Company Auditor, to further strengthen communication.

The Company has also established the Nominating and Compensation Committee to secure mechanisms for appropriate involvement and advice by Independent Outside Directors. The Nominating and Compensation Committee acts as an advisory organ of the Board of Directors. It is composed of a majority of Independent Outside Directors, and chaired by an Independent Outside Director. The Board of Directors refers important matters concerning the appointment and dismissal of senior management, etc. to the Committee for deliberation. The Board of Directors respects the Committee's report, thus improving the objectivity and transparency of decision-making. In addition, based on a recognition that it is appropriate to make decision on compensation from an independent standpoint in order to establish an objective, highly-transparent compensation decision-making process, the Board of Directors delegates decisions on specific compensation for individual Directors to the Nominating and Compensation Committee. The scope of authority delegated to the Nominating and Compensation Committee includes decision on the specific amounts of fixed and performance-linked compensation, and the timing of payment. Based on this authority, the Nominating and Compensation Committee determines compensation amounts in accordance with the Officers Compensation System Regulations, within the scope of the total compensation amount approved by the General Meeting of Shareholders. The Board of Directors confirms that this authority is being exercised properly, as appropriate.

Regular meetings of the Board of Directors are held once a month, to make decisions on important issues and to oversee the execution of duties. The term of office of Directors is set at one year, to clarify management responsibility and establish appropriate opportunities for shareholder feedback. Materials used in meetings of the Board of Directors are distributed ahead of the day of the meeting, and prior explanations are provided to Outside Officers, as necessary, to ensure sufficient time for deliberation at the meetings. The Company has also established annual opportunities for self-evaluation and discussion by Directors and Company Auditors, regarding their vision for the Board of Directors, in order to continually improve the effectiveness of the Board of Directors.

Regarding the executive structure, the Company has introduced a system of Executive Officers based on a decision by the Board of Directors. The Executive Committee, composed mainly of Managing Executive Officers and above, meets weekly, to enhance the agility of deliberation for decision-making. In addition, the Strategy Committee has been established as a supplementary organ to the Executive Committee, to share information and discuss management issues and management strategy.

The Company has established various internal regulations and organizations with a thorough awareness of responding to business risk, including legal reform and changes in the business environment. Bodies such as the "Internal Control Committee," "Business Ethics Committee," "Environmental Committee," "Quality Assurance Committee," "Product Safety Committee," and "Information Security Committee" have been established and are continually active in addressing key company-wide issues.

As a company with a Board of Company Auditors, the Company has adopted an audit structure with four Company Auditors, including two Outside Company Auditors. In addition to holding regular monthly meetings of the Board of Company Auditors, Company Auditors audit the execution of duties by Directors and offer advice on management by attending meetings of the Board of Directors and other

investment aimed at strengthening the business base, for business alliances and M&A investment for future growth, and for capital policy aimed at improving capital efficiency, while at the same time ensuring the soundness of the Company financial base.

5. Other Initiatives

(1) Strengthening the compliance structure

- We endeavor to operate a fair and transparent internal reporting system. In addition to establishing the Ethics Advisory Room as an internal hotline to enable the prompt discovery and correction of any actions that violate laws, regulations, or the Company's corporate ethics guidelines, we have established the Workplace Help line, an external consultation service that accepts anonymous consultations and reports on workplace trouble and issues. We have also established the "Company Auditors route," independent of management, as a dedicated hotline for reports concerning Directors. We are striving to further strengthen the compliance structure in sales divisions through initiatives such as mandatory record-keeping for contact with industry peers and the introduction of an external system to constantly monitor emails.
- We endeavor to promote understanding of the Antimonopoly Act and other laws and regulations through the systematic and continuing implementation of compliance training for all officers and employees across the Group. Together with more rigorous management, including the establishment of the Cartel and Collusion Prevention Regulations, and thorough internal auditing, we endeavor to raise compliance awareness and strengthen the compliance structure across the entire Group.

(2) Various management initiatives

- We are also promoting the development of various management systems, as companywide mechanisms to support the achievement of our management targets. In terms of information security, we have established organizational CSIRT* to respond to issues such as the increase in cyber-attacks targeting companies. As a specialized team to respond to incidents specific to information devices, the CSIRT coordinates with other parts of the information security system to consider and implement preparations and other comprehensive countermeasures.

(External Certifications)

ISO9001	Each Plant (Odawara, Sagamihara, Wakayama, Tsurugashima, Kawajima)
ISO14001	Kyodo Printing Co., Ltd.
ISO15378	Moriya Plant
FSSC22000	Moriya Plant
ISO27001 Information Security Management Systems	Business Media Division, Manufacturing Headquarters
ISO22301 Business Continuity Management Systems	Business Media Division (Koishikawa), each Plant (Tsurugashima, Kawajima)
Privacy Mark	Kyodo Printing Co., Ltd.
FSC®COC Certification	Headquarters office, each Plant (Tsurugashima, Kawajima, Moriya), Kyodo Printing Media Products Co., Ltd., Kyodo Printing Marketing Solutions Co., Ltd.

*The CSIRT (Computer Security Incident Response Team) is a specialized internal team that handles information security issues.

III. Initiatives to Prevent Decisions on the Company's Financial and Business Policies Falling under the Control of Person(s) Deemed Inappropriate in Light of the Basic Policy

1. Achieving the Enhancement of Corporate Value and the Common Interests of Shareholders

- (1) The existence of large-scale purchases of shares that work against achieving the enhancement of corporate value and the common interests of shareholders

In this way, we intend to engage wholeheartedly in achieving the enhancement of corporate value and the common interests of shareholders. In recent years however, a trend has emerged in capital markets where certain actors effectively force through sudden large-scale purchases (as defined in 2. (3) 1) below; the same applies hereinafter), without allowing shareholders sufficient time for consideration, or following a process to engage in sufficient consultation or gain the consent of the management of the target company.

Of course, we do not regard large-scale purchases of shares as objectionable per se, even when they have not received the endorsement of the management of the target company, as long as they lead to efficient deployment of the target Company's assets and achieve the enhancement of corporate value and the common interests of shareholders.

However, it cannot be denied that, among large-scale purchases, there may be some so-called "abusive purchases" that clearly do significant damage to the target company's corporate value and the common interests of shareholders, with objectives such as artificially raising the share price and forcing those associated with the company to repurchase them at an inflated price, and without any real intention of participating in the company's management.

Moreover, as stated above, we firmly believe that continuing our good relationships with our various stakeholders, primarily maintaining and developing the relationships of trust that we have built up with our customers over many years, is linked to the interests of shareholders through the medium- and long-term enhancement of corporate value. If large-scale purchasers of the Company's shares (as defined in 2. (3) 1) below; the same applies hereinafter) do not fully understand this, and do not secure and enhance these relationships over the medium and long term, then the Company's corporate value and the common interests of its shareholders will be damaged.

- (2) The need to renew the Plan

It is a principle that the Company's shares may be traded freely, and many investors trade them freely on the stock market. Therefore, we believe that the decision on whether or not to respond to large-scale purchases should be left to the judgement of our shareholders.

In the case of large-scale purchases such as those described in (1) above, we consider it imperative to provide shareholders with appropriate and sufficient information from both the large-scale purchaser and the Company's Board of Directors, and ensure that they have sufficient time for consideration, to enable shareholders to make an appropriate judgement on whether the large-scale purchase contributes to the Company's corporate value and the common interests of shareholders, and decide whether or not to respond to the large-scale purchase proposal.

Moreover, information regarding the impact of the large-scale purchase on the Company, and details of the management policy and business plans of the large-scale purchaser upon participation in the Company's management, including the policy on relationships with the Company's customers, trading partners, employees, and other stakeholders, will also be important for shareholders when they consider whether to continue to hold the Company's shares. In addition, the disclosure of the opinion of the Company's Board of Directors on the large-scale purchase, and the presentation of an alternative proposal, if necessary, will enable shareholders to compare and contrast the two policies, opinions, etc., to make an appropriate judgement on whether to respond to the large-scale purchase proposal.

It was from this standpoint that the Company decided to renew the Previous Plan as the Plan, described below, with amendments including the addition of provisions to allow the convocation of a General Meeting of Shareholders when the defense measures are invoked, and the addition of conditions for the acquisition of share acquisition rights associated with the defense measures. The Plan requires large-scale purchasers are required to comply with the Plan, and stipulates defense measures in the case that the large-scale purchaser does not comply with the plan, or where it is judged that the large-scale purchase will significantly damage the Company's corporate value and the common interests of shareholders.

As of the present time, the Company has not received any proposals concerning a large-scale

purchase.

2. Details of the Plan

(1) Overview of the Plan

The Plan requires large-scale purchasers to comply with the designated procedures when making a large-scale purchase. Where a large-scale purchase is proposed that fails to comply with the designated procedures, or even if it complies, where it is judged that the large-scale purchase will significantly damage the Company's corporate value and the common interests of shareholders, the Company shall implement a gratis allotment of share acquisition rights to all shareholders, in principle, as a defense measures against the large-scale purchase.

The Company plans to attach conditions such as the following to the share acquisition rights so allotted (hereinafter, the "Share Acquisition Rights"): (i) an exercise condition that prohibits the exercise of the Share Acquisition Rights by the large-scale purchaser(s) or their associates; (ii) an acquisition clause that stipulates that the Company shall deliver shares of the Company to shareholders other than the large-scale purchaser(s) and their associates in return for the acquisition of the Share Acquisition Rights; and (iii) an acquisition clause (if decided by the Company's Board of Directors) that stipulates that the Company shall acquire the Share Acquisition Rights held by the large-scale purchaser(s) or their associates in return for other share acquisition rights with certain exercise conditions and acquisition conditions attached.

If the Company implements the gratis allotment of the Share Acquisition Rights, then this exercise condition and acquisition clauses may substantially dilute the proportion of the Company's total voting rights held by the large-scale purchaser(s) and their associates.

(2) The procedure to renew the Plan

The Previous Plan was approved by the 139th Annual General Meeting of Shareholders held on June 27, 2019, based on the provisions of Article 13 of the Company's Articles of Incorporation, the establishment of which was approved by the 127th Annual General Meeting of Shareholders held on June 28, 2007. The renewal of the Plan is also subject to approval by resolution of this Annual General Meeting of Shareholders, based on the same Article, in order to appropriately reflect the will of the Company's shareholders.

(3) The procedure to trigger the Plan

1) Large-scale purchases subject to the Plan

Large-scale purchases subject to the Plan are purchases of a certain minimum number of the Company's share certificates, etc., or other acquisitions for consideration, or similar actions, by a person (hereinafter, a "Specified Shareholder") who, as a result of this purchase, acquisition, or other action, will acquire a minimum of 20% of either:

- i. The sum of the ratios of the Company's share certificates, etc. held³ by holders² of the Company's share certificates, etc.,¹ or,
- ii. The sum of the ratios⁸ of the Company's share certificates, etc. previously owned⁶ by, or which will become owned by, person(s) engaging in purchases of the Company's share certificates, etc.,⁵ or other acquisitions for consideration, or similar actions, and the Company's share certification, etc. owned by specially related parties.⁷

(Excluding, however, cases where the prior approval of the Company's Board of Directors has been obtained. These purchases, etc. are hereinafter referred to as "large-scale purchases," and the person engaging in, or initiating, a large-scale purchase is referred to as a large-scale purchaser.

1. Share certificates, etc. designated under Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter, unless otherwise specified.
2. Holders designated under Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act, including those deemed holders based on Paragraph 3 of the said Article. The same shall apply hereinafter.
3. Holding, as designated under Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
4. The holding ratio of share certificates, etc. designated under Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
5. Share certificates, etc. designated under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange

Act. The same shall apply in ii below.

6. Ownership, as designated under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
7. Specially related party, as designated under Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, regarding parties indicated in Article 27-2, Paragraph 1, this excludes those prescribed in Article 3, Paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers. The same shall apply hereinafter.
8. The ownership ratio of share certificates, etc. designated under Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

2) Disclosure of the Plan and requests for the provision of information on large-scale purchasers

The Plan shall be disclosed in accordance with the regulations of the Tokyo Stock Exchange, Inc., and also be made available for viewing on the Company's website (<https://www.kyodoprinting.co.jp/>).

Except where otherwise determined by the Company's Board of Directors, the large-scale purchaser shall be required to submit to the Company's Board of Directors a purchase proposal including information (hereinafter, the "Required Information"), in Japanese, designated under each item below, which is necessary for a consideration of the details of the large-scale purchase, and includes a declaration of intent to comply with the procedures stipulated under the Plan. Documents proving the existence of the large-scale purchaser shall be attached to the purchase proposal, including a certified copy of commercial registration, a copy of the articles of incorporation, and other documents.

Upon receipt of this purchase proposal, the Company's Board of Directors shall promptly provide it to the Independent Committee designated in 4) below. Where the information provided by the large-scale purchaser is reasonably determined by the Company's Board of Directors to be insufficient for the purposes of decision-making by shareholders and evaluation and consideration by the Board of Directors, in view of the details and nature of the large-scale purchase, the large-scale purchaser shall provide the additional information requested by the Company's Board of Directors, in Japanese. (However, the Company's Board of Directors shall not require more additional information than is needed for shareholders to make their decision and the Board of Directors to evaluate and consider the purchase proposal, based on factors such as the attributes of the large-scale purchaser, the details of the large-scale purchase proposed by the large-scale purchaser, and the content and nature of the Required Information.) The provision of additional information shall be requested no more than ten days after either the purchase proposal above was received, or subsequent additional information was received.

- a. Details (including information, etc. on the actual name, capital structure, business, finances, and business experience, etc. in the same industry as the Company's businesses) of the large-scale purchaser and its group (including joint-owners, specially related parties, and partners (in the case of funds) or other members)
- b. The number of the Company's share certificates, etc. currently held by the large-scale purchaser and its group, and transactions of the Company's share certificates, etc. by the large-scale purchaser during the 60 days prior to the submission of the purchase proposal
- c. Purpose of the large-scale purchase (the acquisition of the right of control or management participation, pure investment or strategic investment, the sale, transfer, etc. of the Company's share certificates, etc. to a third party after the large-scale purchase, or a material proposal (meaning a material proposal as defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Order on Disclosure of the Status of Large-Scale Holdings in Share Certificates; if the large-scale purchase has another purpose, this should be indicated, together with a summary of the purpose; where there are multiple purposes, all should be included), method and details (including the class and number of the Company's share certificates, etc. it is planned to acquire in the large-scale purchase, the amount and type of consideration for the large-scale purchase, the timing of the large-scale purchase, etc., the scheme of any related transactions, the legality of the large-scale purchase and the probability of its implementation, etc.)
- d. An overview of the basis for calculation of the large-scale purchase price (facts and assumptions upon which the calculation is based, the calculation method, quantitative

- information used in the calculation, the value of synergies anticipated to arise from transactions related to the large-scale purchase, and the basis used to calculate this value, etc.)
- e. Evidence of funding for the large-scale purchase (including the specific names of funders (including effective funders), method of funding, and details of the associated transactions, etc.)
 - f. Group management policy, management candidates (including information on candidates' experience, etc. in businesses similar to the businesses of the Company and the Group), business plans, finance plans, capital policy, dividend policy, and measures to utilize assets after the large-scale purchase (however, where the purchase proposal is for a 100% Japanese yen cash-based large-scale purchase with no remaining minority shareholders, only an outline of the information in this item is required)
 - g. Policy on the treatment of employees, trading partners, customers, and other interested parties of the Group after the large-scale purchase
 - h. Policy on the recovery of capital invested for the large-scale purchase
 - i. Any connections with anti-social forces or terrorist organizations (whether these connections are direct or indirect) and the details of any such connections
 - j. Any other information that the Company's Board of Directors has reasonably judged to be necessary

Should the Company's Board of Directors become aware of the emergence of a large-scale purchaser, or receive a purchase proposal or additional information, then it shall immediately disclose the relevant fact to shareholders and others. The content of information provided to the Company's Board of Directors by the large-scale purchaser shall be fully or partially disclosed to shareholders and others when the Board of Directors considers it necessary for shareholders to make their judgement.

3) Procedure for consideration by the Board of Directors

Where the Company's Board of Directors has judged that the Required Information included in the purchase proposal submitted by the large-scale purchaser meets the standard necessary for shareholders to make their decision on the purchase proposal, and for the Board of Directors to engage in evaluation and consideration of the proposal (including cases where the Company's Board of Directors has judged that it has received sufficient Required Information with the purchase proposal as a result of the submission of additional Required Information requested by the Company's Board of Directors due to insufficient information provided by the large-scale purchaser) it shall immediately notify the large-scale purchaser and Independent Committee of the fact, together with the start and end dates of the period of evaluation by the Board of Directors, and engage in the timely and appropriate disclosure of information to shareholders and others in accordance with laws, regulations, and the rules of the Tokyo Stock Exchange, Inc. Within 60 days following the dispatch of this notification to the large-scale purchaser, in cases where the large-scale purchase is a Japanese yen cash-based tender offer for all of the Company's share certificates, etc., or 90 days following the dispatch of this notification to the large-scale purchaser, in other cases (hereinafter, this period is referred to as the "Board of Directors Evaluation Period"), the Company's Board of Directors shall thoroughly evaluate and consider the Required Information provided, obtaining the advice of independent third parties (including investment banks, securities companies, financial advisors, attorneys, CPAs, and other specialists) as necessary, carefully compile the opinion of the Company's Board of Directors on the large-scale purchase, with maximum regard to the recommendations of the Independent Committee in 4) below, notify the large-scale purchaser of this opinion, and engage in the timely and appropriate disclosure of information to shareholders. Moreover, the Board of Directors shall negotiate with the large-scale purchaser regarding the terms or method of the large-scale purchase, as necessary, and may present the Company's shareholders with an alternative proposal.

However, in unavoidable circumstances, where the Board of Directors has been unable to resolve within the Board of Directors Evaluation Period on whether or not to invoke defense measures, such as where the Independent Committee has not issued recommendations within the Board of Directors Evaluation Period on whether or not to invoke defense measures, the Company's Board of Directors may, based on the recommendations of the Independent Committee, extend the Board of Directors Evaluation Period as much as necessary, up to a maximum of 30 days (beginning from the day after the expiration of the original Board of Directors Evaluation Period). Where the Company's Board of

Directors has resolved to extend the Board of Directors Evaluation Period, it shall notify the large-scale purchaser and Independent Committee of the exact duration of the extension and reasons why it is deemed necessary, and engage in the timely and appropriate disclosure of information to shareholders and others in accordance with laws, regulations, and the rules of the Tokyo Stock Exchange, Inc.

Where the Board of Directors has decided to hold a General Meeting of Shareholders due to the elapse of the Board of Directors Evaluation Period or as set forth in 6) iii. below, the large-scale purchaser may only commence the large-scale purchase after a resolution by the Company's Board of Directors in accordance with the decision of the Company's shareholders at the General Meeting of Shareholders (the Board of Directors meeting at which this resolution is adopted shall be held on the same day as the General Meeting of Shareholders, in principle). However, where the large-scale purchaser has received a notification that defense measures will not be invoked in 7) below, the large-scale purchaser may commence the large-scale purchase on the next business day following the receipt of this notice.

4) Establishment of the Independent Committee

The Company's Board of Directors shall make the final decision on whether all procedures have been followed in accordance with the rules established under the Plan, and, where these rules have not been complied with, whether to implement certain defense measures considered necessary and appropriate to protect or enhance the Company's corporate value and the common interests of its shareholders. The Company has established the Independent Committee as a body independent from the Board of Directors, in order to ensure that this decision is reasonable and fair.

The Independent Committee is composed of no less than three and no more than five members, elected by the Company's Board of Directors from Outside Directors, Outside Company Auditors, attorneys, tax accountants, CPAs, academics, persons familiar with the business of investment banks, and other persons from outside the Company who have experience as directors or executive officers of other companies, etc. It is planned to appoint five members of the Independent Board at the time of the Plan's renewal: Ms. Mika Takaoka, Mr. Tsuneo Naito, Mr. Yosuke Mitsusada, Mr. Takaki Tokuoka, and Mr. Masahiko Furutani (see Appendix 1). An overview of the Independent Committee Regulations is presented in Appendix 2 "Overview of the Independent Committee Regulations." The Company shall disclose a summary of the judgement of the Independent Committee to shareholders and other in a timely and appropriate manner.

5) Procedures for triggering defense measures

The Company's Board of Directors shall follow the following procedures in judging whether or not to invoke defense measures, to ensure a reasonable and fair decision.

Before invoking defense measures, the Company's Board of Directors shall refer the question of whether defense measures should be invoked to the Independent Committee. The Independent Committee shall then obtain the advice of third parties in positions independent from the Company (including investment banks, securities companies, financial advisors, attorneys, CPAs, and other specialists) as necessary, at the Company's expense, before reporting recommendations to the Company's Board of Directors on whether the defense measures should be invoked. The Company's Board of Directors shall give maximum regard to the recommendations of the Independent Committee when deciding whether or not to invoke defense measures.

In addition, defense measures shall only be invoked by a unanimous resolution of the Company's Board of Directors, after obtaining the approval of all Company Auditors, including Outside Company Auditors. Should the Company's Board of Directors make this resolution, information shall be promptly disclosed to shareholders and others, including an outline of the resolution and other matters deemed appropriate by the Company's Board of Directors.

In addition to referring to the Independent Committee, as described above, the Company's Board of Directors shall determine whether defense measures should be invoked upon the evaluation and consideration of the specific details of the large-scale purchaser and the large-scale purchase, and their impact on the Company's corporate value and the common interests of shareholders, based on the Required Information submitted by the large-scale purchaser. In this process, the Company's Board of Directors shall obtain the advice of third parties in positions independent from the Company (including investment banks, securities companies, financial advisors, attorneys, CPAs, and other specialists) as necessary.

Moreover, as set forth in 6) iii. below, when determining whether to invoke defense measures against the large-scale purchase, the Company's Board of Directors may, even in the case of 6) iii. below, convoke a General Meeting of Shareholders to confirm the will of shareholders on whether to invoke defense measures, in cases where it is deemed practically appropriate to directly confirm the will of shareholders.

6) Conditions for the triggering of defense measures

i. Where the large-scale purchaser has implemented or initiated a large-scale purchase without following the procedures stipulated under the Plan

Where the large-scale purchaser has implemented or initiated a large-scale purchase without following the procedures stipulated under the Plan, the Company's Board of Directors shall deem the large-scale purchase to be significantly damaging to the Company's corporate value and the common interests of shareholders, regardless of the specific terms, method, etc., of the large-scale purchase.

In this case, the Board of Directors, with maximum regard for the recommendations of the Independent Committee, shall implement the defense measures necessary and appropriate to protect or enhance the Company's corporate value and the common interests of shareholders.

ii. Where the large-scale purchaser has implemented or initiated a large-scale purchase following the procedures stipulated under the Plan

Where the large-scale purchaser has implemented or initiated a large-scale purchase following the procedures stipulated under the Plan, the Company shall not, in principle, invoke defense measures against the large-scale purchaser, even if the Company's Board of Directors is opposed to the large-scale purchase, expresses an opinion against it, presents an alternative proposal, or engages in explanations to shareholders, etc. The decision on whether or not to accept the purchase proposal presented by the large-scale purchaser shall be made by the Company's shareholders, on consideration of the Required Information concerning the large-scale purchase, as well as the opinion of the Board of Directors, alternative proposals, etc.

However, even where the large-scale purchaser has implemented or initiated a large-scale purchase following the procedures stipulated under the Plan, the Company's Board of Directors, with maximum regard for the recommendations of the Independent Committee, may implement the defense measures necessary and appropriate to protect or enhance the Company's corporate value and the common interests of shareholders, regardless of the beginning or expiry of the Board of Directors Evaluation Period, in cases where, upon consideration of the details of the large-scale purchase and discussion, negotiation, etc. with the large-scale purchaser, the Board of Directors concludes that the large-scale purchase based on the large-scale purchase proposal will significantly damage the Company's corporate value and the common interests of shareholders. Specifically, the large-scale purchase shall be considered to significantly damage the Company's corporate value and the common interests of shareholders if it is judged to fall under any of the following types.

- a. Where it is a purchase aimed at forcing a buyback at inflated prices
- b. Where it is a purchase aimed at sacrificing the Company to realize profits for the large-scale purchaser, such as the acquisition of assets, technologies, information, etc. for an artificially low price
- c. Where it is a purchase that would clearly infringe on the Company's corporate value and the common interests of shareholders by appropriating the Company's assets to pledge or fund the payment of the purchaser's liabilities
- d. Where it is a purchase that would clearly infringe on the Company's corporate value and the common interests of shareholders in ways such as bringing about a disposal of the Company's high-value assets and the declaration of temporary high dividends from the profits of the disposal, or declaring temporary high dividends in order to taking advantage the resulting rapid rise in share price to profit from selling the Company's shares
- e. Purchase where the terms of purchase of share certificates, etc. are substantially insufficient or inappropriate considering the Company's corporate value
- f. Purchases that threaten to have the effect of compelling shareholders to sell their share certificates, etc., such as a two-tiered buy-out by tender offer that sets unfavorable acquisition terms for the second stage or does not set clear terms for the second stage
- g. Purchases that will result in a substantially inferior medium- to long-term corporate value

for the Company if the large-scale purchaser takes control, compared to the corporate value should the large-scale purchaser not take control

- h. Purchases in which the large-scale purchaser is clearly unsuitable as a controlling shareholder of the Company from the perspectives of public order and morality
- i. In addition to each item above, where the purchase corresponds to the following:
 - (i) Where it can be objectively and reasonably inferred that the purchase will significantly damage the Company's corporate value and the common interests of shareholders
 - (ii) Where it is judged that failure to immediately invoke the defense measures against the purchase will unavoidably lead to significant damage to the Company's corporate value and the common interests of shareholders, or the risk of such damage

iii. Convocation of the General Meeting of Shareholders

As stated in ii. above, where the large-scale purchaser has implemented or initiated a large-scale purchase following the procedures stipulated under the Plan, the Company's Board of Directors, with maximum regard for the recommendations of the Independent Committee, shall, in principle, resolve on whether defense measures should be invoked against the large-scale purchase. However, the Company's Board of Directors may, upon consideration of the details of the large-scale purchase and various other factors such as the time necessary for the convocation of the General Meeting of Shareholders, convoke a General Meeting of Shareholders to ascertain the opinion of shareholders on whether defense measures should be invoked, in cases where it is deemed practically appropriate to directly confirm the will of shareholders, in addition to reference to the Independent Committee, in view of the requirements of laws, regulations, and the duty of care borne by the Company's Directors, etc. In this case, a resolution on the invocation of defense measures shall be made based on the agreement of the majority of votes of shareholders present at the meeting (including shareholders who exercise their voting rights via the voting rights exercise form). The Company's Board of Directors shall, upon making the decision to convoke a General Meeting of Shareholders, immediately disclose information to shareholders and others on this decision and the reasons for it, and convoke a General Meeting of Shareholders as promptly as practicable.

The Company's Board of Directors shall abide by the decision of shareholders at the General Meeting of Shareholders regarding whether to invoke the defense measures.

Where the Board of Directors has decided to hold a General Meeting of Shareholders, the large-scale purchaser may not commence the large-scale purchase until a resolution is formed by the Company's Board of Directors in accordance with the decision of the Company's shareholders at the General Meeting of Shareholders (the Board of Directors meeting at which this resolution is adopted shall be held on the same day as the General Meeting of Shareholders, in principle).

7) Decision by the Company's Board of Directors on whether or not to invoke the defense measures

When deciding whether to invoke the defense measures, the Company's Board of Directors shall give maximum regard to the recommendations of the Independent Committee in the cases described in 6) i. and 6) ii. above, and shall abide by the decision of shareholders at the General Meeting of Shareholders held to ascertain the opinion of shareholders, in addition to reference to the Independent Committee, in the case described in 6) iii. above. If the Company's Board of Directors makes a decision on whether or not to invoke the defense measures, it shall immediately notify the large-scale purchaser of this decision (hereinafter, a notification of a decision not to invoke defense measures is referred to as a "non-trigger notification") and any other matters considered appropriate by the Board of Directors, and disclose information to shareholders and others.

Where the Board of Directors has decided to hold a General Meeting of Shareholders after the elapse of the Board of Directors Evaluation Period or as set forth in 6) iii. above, the large-scale purchaser may only commence the large-scale purchase after a resolution by the Company's Board of Directors in accordance with the decision of the Company's shareholders at the General Meeting of Shareholders (the Board of Directors meeting at which this resolution is adopted shall be held on the same day as the General Meeting of Shareholders, in principle). However, where the large-scale purchaser has received a non-trigger notification from the Company's Board of Directors, the large-scale purchaser may commence the large-scale purchase on the next business day following the receipt of this notice.

8) Reconsideration by the Company's Board of Directors

Even after making a decision on whether to invoke defense measures, the Company's Board of Directors may again refer the question to the Independent Committee, re-deliberate on the matter and, with maximum regard for the recommendations of the Independent Committee, decide to invoke or cancel the defense measures, in cases where the facts that formed the basis for the decision have changed, such as where the large-scale purchaser has changed the terms of the large-scale purchase, or cancelled the large-scale purchase. Even in this case, the Company's Board of Directors may convoke a General Meeting of Shareholders to confirm the will of shareholders on whether to invoke defense measures, in cases where it is deemed practically appropriate to directly confirm the will of shareholders.

Should the Company's Board of Directors make such a decision, it shall immediately notify the large-scale purchaser of this decision and any other matters considered appropriate by the Board of Directors, and disclose information to shareholders and others.

(4) Overview of the defense measures

Defense measures invoked by the Company's Board of Directors shall, in principle, comprise the gratis allotment of the Share Acquisition Rights in accordance with the "Terms of the Share Acquisition Rights" in Appendix 3.

The Share Acquisition Rights shall be allotted to shareholders (excluding the Company itself) registered or otherwise recorded in the final Shareholder Register as of a date (hereinafter the "Allotment Date") to be determined at the meeting of the Board of Directors that resolves on the gratis allotment of the Share Acquisition Rights, in the amount of one or more unit of the Share Acquisition Rights for each share held, in a proportion to be determined by the Company's Board of Directors.

The amount of property (cash) to be contributed upon exercise of each unit of the Share Acquisition Rights (the exercise price) shall be one yen. A number of shares (or adjusted number of shares, in the case of adjustment) of the Company's common stock not greater than one, to be determined by the Company's Board of Directors, shall be delivered to a holder of the Share Acquisition Rights (hereinafter, a "Share Acquisition Rights Holder") in return for the exercise of each unit of the Share Acquisition Rights. Where, upon the exercise of the Share Acquisition Rights, a fractional number of shares is delivered to a Share Acquisition Rights Holder, the Company shall handle these fractional shares in accordance with the applicable laws and regulations. However, specified shareholders and their associates shall not be able to exercise the Share Acquisition Rights.

In addition to the exercise of the Share Acquisition Rights, the Company may, under certain conditions, acquire the Share Acquisition Rights from Share Acquisition Rights Holders, apart from specified shareholders and their associates, in return for shares of the Company's common stock, based on the acquisition clauses attached to the Share Acquisition Rights. Under certain conditions, the Company may acquire all of the Share Acquisition Rights for no consideration.

Moreover, the approval of the Company's Board of Directors is necessary for the acquisition of the Share Acquisition Rights by purchase or transfer.

Should the Company's Board of Directors invoke the defense measures, information on matters deemed appropriate by the Company's Board of Directors shall be disclosed to shareholders and others in a timely and appropriate manner.

(5) Term of validity, abolition and amendment of the Plan

The term of validity of the Plan shall be from time of the conclusion of this Annual General Meeting of Shareholders to the time of the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2025, scheduled to be held in June 2025. Even during the term of validity of the Plan, where (i) the Company's General Meeting of Shareholders resolves to abolish the Plan, or (ii) the Company's Board of Directors resolves to abolish the Plan, then it shall be abolished effective from that time.

Moreover, even during the term of validity of the Plan, the Company's Board of Directors may implement technical corrections or amendments to the Plan, based on the opinion of the Independent Committee, where necessary, and within the scope of authority delegated to it by resolution of this General Meeting of Shareholders.

The Plan is predicated upon laws and regulations enforced as of May 13, 2022. Where the new establishment, amendment, abolition, etc. of laws and regulations on or after that date renders it necessary to amend the provisions of the Plan, the wording of the Plan shall be interpreted as appropriate, in

accordance with the purpose of the relevant laws and regulations, and in a way that does not contravene the basic views embodied in the Plan.

In the case of the abolition, correction, or amendment of the Plan, this abolition, correction, or amendment shall be promptly disclosed, together with other matters considered appropriate by the Company's Board of Directors.

Regarding the details of the Plan after the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2025, the Company plans to confirm the will of shareholders concerning whether the Plan should be continued, with the necessary revisions, whether a new plan should be introduced, etc.

3. Impact on Shareholders and Investors

(1) Impact on shareholders and investors upon renewal of the Plan

No defense measures will be implemented at the time of the renewal of the Plan, and the renewal will have no direct, concrete impact on the legal rights or economic interests of the shareholders and investors.

(2) Impact on shareholders and investors from the implementation of a gratis allotment of the Share Acquisition Rights

The Share Acquisition Rights will be allotted for no consideration to shareholders as of the Allotment Date, in the amount of one or more unit of the Share Acquisition Rights for each share held, in a proportion to be determined by the Company's Board of Directors. Assuming the Share Acquisition Rights are exercised, there will therefore be no diluting effect on the value of the portion of the entire Company held by each shareholder.

Should shareholders choose not to exercise the Share Acquisition Rights during the exercise period, the value of the portion of the entire Company that they hold will be diluted due to the exercise of the Share Acquisition Rights by other shareholders. However, the Company may, by decision of the Board of Directors, follow the procedure described in (4) 2) below to acquire the Share Acquisition Rights from shareholders not prohibited from exercising them in exchange for shares of the Company's common stock, in accordance with the acquisition clause attached to the Share Acquisition Rights. If the Company implements this acquisition procedure, shareholders not prohibited from exercising the Share Acquisition Rights, in accordance with the terms of the Share Acquisition Rights, will receive the Company's common shares without exercising the Share Acquisition Rights or paying in the exercise price. The value of each share that they hold will therefore be diluted, but the value of the portion of the entire Company that they hold will not be diluted.

Where, after the determination of shareholders eligible for the gratis allotment of the Share Acquisition Rights, the Company cancels the gratis allotment of the Share Acquisition Rights or re-acquires the allotted Share Acquisition Rights for no consideration, no dilution of value per share will occur, and it is therefore possible that any investors who have sold the Company's shares expecting to see a dilution of per share value may suffer substantial losses as a result of the change in the share price.

(3) Impact on shareholders and investors from the exercise or acquisition of the Share Acquisition Rights after a gratis allotment of the Share Acquisition Rights

Because the Company plans to attach discriminatory conditions to the exercise and acquisition of the Share Acquisition Rights, it is anticipated that dilution will occur to the legal rights and economic interests of specified shareholders and their associates. However, even in this case, no direct and concrete impact is anticipated on the legal rights and economic interests associated with shares of the Company held by shareholders and investors apart from specified shareholders and their associates. Nonetheless, it should be noted that, as the transfer of the Share Acquisition Rights themselves is restricted, there is a possibility that shareholders' recovery of the portion of their capital invested in the value of the Company's shares that is attributable to the Share Acquisition Rights may be restricted during the period from the Allotment Date to the time when the Company's shares are recorded in each shareholder's receiving account, in the event that shares of the Company's common stock are delivered to shareholders in return for the exercise or acquisition of the Share Acquisition Rights.

(4) Procedures, etc. required of shareholders pursuant to a gratis allotment of the Share Acquisition Rights

1) Procedures for the exercise of the Share Acquisition Rights

The Company will send the exercise form for the Share Acquisition Rights and other documents needed for the exercise of the Share Acquisition Rights to shareholders registered or otherwise recorded in the final Shareholder Register as of the Allotment Date, in principle. (The exercise form for the Share Acquisition Rights will be in a format designated by the Company, and include necessary information such as the details and number of the Share Acquisition Rights to be exercised, the date of exercise, and the receiving account (not to be a special account) in which the Company's shares are to be recorded, as well as pledges such as a stated warranty that the shareholders themselves satisfy the Share Acquisition Rights exercise conditions, etc., a reimbursement clause, etc.) After the gratis allotment of the Share Acquisition Rights, shares of the Company's common stock will be delivered to shareholders who have submitted these required documents and paid-in one yen per unit of the Share Acquisition Rights to the designated payment handling institution during the exercise period. The number of shares (or the adjusted number of shares, in the case of adjustment) delivered will be determined by the Company's Board of Directors, and will not exceed one shares per unit of the Share Acquisition Rights.

Shares of the Company's common stock delivered as the result of the exercise of the Share Acquisition Rights cannot be recorded in special accounts due to legal provisions on the transfer of bonds and shares, etc., and it should be noted that shareholders will need to open a securities account or similar account to receive the delivery of shares from the exercise of the Share Acquisition Rights.

2) Procedures for the acquisition of the Share Acquisition Rights by the Company

Where the Company's Board of Directors has made a decision to acquire the Share Acquisition Rights, the Company will follow the legal procedures to acquire the Share Acquisition Rights. In the case that there are multiple acquisition clauses, the acquisition will be implemented after the Board of Directors resolves on each clause, and issues an official notice to the Share Acquisition Rights Holders. If the Company has determined to deliver shares of the Company's common stock in return for the acquisition of the Share Acquisition Rights, these will be delivered promptly. In this case, shareholders may be required to separately submit documents in the Company's designated format, including pledges such as a stated warranty that the shareholders themselves are not a specified shareholder or associate thereof, a reimbursement clause, etc.

Other information, such as the allotment method, exercise method, and the method used by the Company to acquire the Share Acquisition Rights, will be disclosed or conveyed to shareholders after a decision is made by the Company's Board of Directors to implement the gratis allotment of the Share Acquisition Rights, and shareholders will be requested to review this information.

IV Rationale of the Plan (The Fact, and Reasons Why, the Plan is in Accordance with the Basic Policy, Will Not Damage the Common Interests of Shareholders, and Is Not Aimed at Maintaining the Status of the Company's Officers)

The Company's Board of Directors considers that the Plan is in accordance with the achievement of the basic policy presented in I. above, does not damage the common interests of shareholders, and are not aimed at maintaining the status of the Company's officers.

1. The Plan Fully Satisfies the Requirements of the Guidelines Regarding Takeover Defense

The Plan fully satisfies the three principles set out in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005: protecting and enhancing corporate value and shareholders' common interests; prior disclosure and shareholders' will; and ensuring necessity and reasonableness of defensive measures. It is also in accordance with the purpose of the various regulations on the introduction of takeover defense measures established by the Tokyo Stock Exchange, Inc. It also reflects the discussion presented in "Takeover Defense Measures in Light of Recent Environmental Changes" released on June 30, 2008 by the Corporate Value Study Group, which was established by the Ministry of Economy, Trade and Industry.

2. It is Renewed with the Aims of Securing and Enhancing Corporate Value and the Common Interests of Shareholders

As described in III. above, the Plan will be renewed with the aim of securing and enhancing the Company's corporate value and the common interests of shareholders in the event of a large-scale purchase of the Company's shares, by ensuring the provision of the information and time necessary for shareholders to judge whether or not to respond to the large-scale purchase proposal, and for the Company's Board of Directors to present an alternative proposal to shareholders, engage in negotiations with the large-scale purchaser, etc.

3. It Respects the Will of Shareholders

The Plan will be renewed conditional upon the approval of shareholders at this Annual General Meeting of Shareholders, in order to ensure an opportunity for the will of shareholders to be appropriately reflected. As described in III. 2. (2) above, the Company has prepared a proposal for the approval of the Plan at this General Meeting of Shareholders. If the proposal is not approved, the plan will not be renewed.

Moreover, even during the term of validity of the Plan, the Plan will be abolished, effective immediately, if the Company's General Meeting of Shareholders resolves to abolish it. In that sense, the will of shareholders will be reflected not only in the renewal, but also in the continuation, of the Plan.

The Plan is premised on the delegation of authority for decisions on whether or not to invoke the defense measures based on the Plan from shareholders to the Board of Directors. Specific conditions that will trigger these defense measures are established for each scenario, and indicated to shareholders.

In addition, as described in III. 2. (3) 6) iii. above, when resolving on whether or not defense measures should be invoked, the Company's Board of Directors will, in cases where it is deemed practically appropriate to directly confirm the will of shareholders, convoke a General Meeting of Shareholders to ascertain the opinion of shareholders, in addition to reference to the Independent Committee. Therefore, the implementation of defense measures in accordance with the relevant conditions reflects the will of shareholders.

4. It Emphasizes the Judgment of Highly-independent External Advisors

As described in III. 2. (3) 4) above, with the renewal of the Plan, the Company has established the Independent Committee, as a body independent from the Board of Directors, to ensure that the judgement of the Board of Directors is reasonable and fair.

The Company's Board of Directors makes its decision with maximum regard for the recommendations of the Independent Committee, preventing the Board of Directors from arbitrarily invoking the defense measures based on the Plan. In addition, the Company will engage in timely and appropriate information disclosure to shareholders regarding the outline of the Independent Committee's judgement. In this way, the Company has established mechanisms to ensure that the operation of the Plan contributes to the Company corporate value and the common interests of shareholders.

5. It Establishes Reasonable and Objective Requirements

As described in III. 2. (3) above, the Plan is established so that it will not be triggered unless predesignated, reasonable, and objective requirements are satisfied, and the Company has ensured mechanisms to prevent the Board of Directors from arbitrarily invoking the defense measures.

6. The Advice of Third Parties in Independent Positions is Obtained

As described in III. 2. (3) 3) and 5) above, on the emergence of a large-scale purchaser, the Board of Directors and the Independent Committee may obtain the advice of third parties in positions independent from the Company (including investment banks, securities companies, financial advisors, attorneys, CPAs, and other specialists) as necessary, at the Company's expense. In this way, the Company ensures a mechanism to more firmly ensure the objectivity and fairness of the judgement of the Board of Directors

and the Independent Committee.

7. It is Not a “Dead Hand” Takeover Defense Measure or a “Slow Hand” Takeover Defense Measure

As described in III. 2. (5) above, the Plan may be abolished at any time by resolution of the Board of Directors, which is composed of Directors elected by the Company’s General Meeting of Shareholders. The Plan is therefore not a so-called “dead hand” takeover defense measure under which the triggering of the plan cannot be prevented, even when a majority of the members of the Board of Directors are replaced.

Moreover, the term of office of the Company’s Directors is one year. The Company has not adopted a system of staggered tenures, and it is possible for all members of the Board of Directors to be replaced at once. The Plan is therefore not a so-called “slow hand” takeover defense measure under which the triggering of the plan can only be prevented after a considerable amount of time.

(Appendix 1)

Names and Career Summaries of the Independent Committee Members

The Independent Committee will initially be composed of the following five members, at the time of the renewal of the Plan.

Mika Takaoka Outside Director of the Company

* Ms. Takaoka's career summary is presented on page 8 of this notice (Proposal 3, candidate No. 5).

Tsuneo Naito Outside Director of the Company

* Mr. Naito's career summary is presented on page 9 of this notice (Proposal 3, candidate No. 6).

Yosuke Mitsusada Outside Director of the Company

* Mr. Mitsusada's career summary is presented on page 10 of this notice (Proposal 3, candidate No. 7).

Takaki Tokuoka Outside Company Auditor of the Company

Career summary:

April 1981	Registered as an attorney Joined Blakemore & Mitsuki
June 1985	Graduated from the Master's Program of Harvard Law School
September 1985	Seconded to Sullivan & Cromwell LLP
January 1989	Seconded to Nomura Securities Co., Ltd.
March 1993	Outside Company Auditor, Unilever Japan K.K.
March 1996	Outside Company Auditor, Eli Lilly Japan K.K.
June 2015	Outside Company Auditor of the Company (current position)
February 2018	Joined The Tokyo-Marunouchi Law Offices

Masahiko Furutani Outside Company Auditor of the Company

Career summary:

April 1980	Joined The Dai-ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)
June 1998	Master of Business Administration, Massachusetts Institute of Technology
April 2003	General Manager, Asian Operations Management Department, Mizuho Corporate Bank, Ltd.
March 2006	General Manager, Corporate Finance Department, Mizuho Corporate Bank, Ltd.
April 2007	Executive Officer and General Manager, Corporate Finance Department, Mizuho Corporate Bank, Ltd.
April 2009	Managing Executive Officer, Mizuho Corporate Bank, Ltd.
April 2011	Managing Director, Mizuho Corporate Bank, Ltd.
April 2012	Senior Managing Executive Officer, Japan Branch, American Family Life Assurance Company of Columbus (Aflac)
July 2013	Vice President, Japan Branch, American Family Life Assurance Company of Columbus (Aflac)
June 2015	Vice President Executive Officer, Data Keeping Service Co., Ltd.
January 2016	Representative Director and President, Data Keeping Service Co., Ltd. (current position)
June 2019	Outside Company Auditor of the Company (current position)

Overview of the Independent Committee Regulations

- Article 1. The Independent Committee shall be established pursuant to the introduction or renewal of the measures against large-scale purchases of the Company's shares (takeover defense measures; hereinafter referred to as the "Plan"). The purpose of the Independent Committee shall be to contribute to ensuring the fairness and neutrality of the Board of Directors judgement by presenting recommendations on whether or not to invoke defense measures based on the Plan, in response to inquiries from the Board of Directors.
- Article 2. No fewer than three (3) and no more than five (5) members of the Independent Committee shall be appointed from among candidates who satisfy the conditions below. In principle, each member of the Committee shall, at the time of appointment, conclude an agreement with the Company that includes a cause stating his or her duty of care towards the Company.
- 1) The person has never served as a Director (excluding Outside Director) or Company Auditor (excluding Outside Company Auditor) of the Company or a subsidiary or affiliate of the Company (hereinafter collectively referred to as "the Company, etc.")
 - 2) The person is not, nor has ever been, a member of the same family, within a certain scope, as a Director or Company Auditor, etc. of the Company, etc.
 - 3) The person has not served within the past three years as a Director or Company Auditor, etc. of a financial institution that has a current business relationship with the Company, etc.
 - 4) The person has not served within the past three years as a Director or Company Auditor, etc. of a trading partner that has a current business relationship with the Company, etc.
 - 5) The person is not a trading partner of the Company, etc. and has no special interests with the Company, etc.
 - 6) The person possesses a certain level of experience, specialization, or expertise concerning corporate management (the person is a successful corporate manager, a person familiar with investment banking operations, an attorney, CPA, researcher specializing in corporate law, etc., or equivalent)
2. Members of the Committee shall be appointment and dismissal by resolution of the Board of Directors. However, in the case of dismissal, the resolution must be passed by two-thirds of Directors present.
 3. The term of office of Committee members shall be from the time of the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2022 (or at the time of appointment, for members appointed during the term of the Plan) to the time of the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2025.
- Article 3. The Independent Committee shall, in principle, deliberate and resolve on the matters stated in each item below, and report the details of, and reason for, the resolution to the Board of Directors. The Board of Directors must give maximum regard to the recommendations of the Independent Committee.
- 1) Whether or not the large-scale purchaser is complying with the procedures designated under the Plan
 - 2) Determination of whether or not the details of the purchase proposal significantly damage the Company's corporate value and the common interests of shareholders, and whether or not the defense measures should be invoked
 - 3) The cancellation of defense measures
 - 4) Matters other than those from 1) to 3) regarding which the Independent Committee is given authority under the Plan
 - 5) Matters regarding the Plan on which the Board of Directors has consulted the

Independent Committee

- 6) Matters in which the Board of Directors has otherwise designated that the Independent Committee should engage

Article 4. In principle, a resolution of the Independent Committee shall be adopted by a majority vote at a meeting with full attendance. However, where a member of the Committee is incapacitated or where there is other special cause, a resolution shall be adopted by a majority vote at a meeting attended by all other members.

Article 5. The Independent Committee may obtain the advice of third parties in positions independent from the Company (including investment banks, securities companies, financial advisors, attorneys, CPAs, and other specialists) as necessary, at the Company's expense.

Article 6. A meeting of the Independent Committee may be convened by resolution of the Board of Directors.

Article 7. The Board of Directors may, where deemed necessary for the purposes of deliberation by the Independent Committee, dispatch one (1) Director to attend meetings of the Independent Committee, and require the Independent Committee to provide it with opportunities to explain about necessary matters.

Article 8. Upon the request of the Board of Directors, the Independent Committee must explain the reasons and basis for its recommendations.

Terms of the Share Acquisition Rights

1. Shareholders eligible for allotment

Share acquisition rights shall be allotted to shareholders (excluding the Company itself) registered or otherwise recorded in the final Shareholder Register as of a date (hereinafter the "Allotment Date") to be determined at the meeting of the Board of Directors that resolves on the gratis allotment of the share acquisition rights described in these Terms (hereinafter, the "Share Acquisition Rights Gratis Allotment Resolution"), in the amount of one or more unit of the Share Acquisition Rights for each share held, in a proportion to be determined by the Company's Board of Directors.

2. Total number of share acquisition rights to be issued

A number, no less than the final total number of the Company's issues shares of common stock (excluding shares of the Company's common stock held by the Company) as of the Allotment Date, to be determined by the Company's Board of Directors.

3. Effective date of the gratis allotment of share acquisition rights

The date designated in the Share Acquisition Rights Gratis Allotment Resolution.

4. Class and number of shares subject to the share acquisition rights

1) Class of shares subject to the share acquisition rights

Shares of the Company's common stock shall be subject to the share acquisition rights.

2) Number of shares subject to the share acquisition rights

The number of shares to be delivered for each unit of share acquisition rights (hereinafter, the "Number of Eligible Shares") shall be determined by the Company's Board of Directors, and shall be no greater than one.

However, where the Number of Eligible Shares is adjusted as in Paragraph 5, the total number of shares subject to the share acquisition rights shall be adjusted based on the adjusted Number of Eligible Shares.

5. Adjustments to the number of shares subject to the share acquisition rights

1) Should the Company implement a stock split, stock merger or consolidation, or a company split, etc. after the Allotment Date, the Number of Eligible Shares shall be adjusted appropriately in accordance with the relevant conditions.

2) When adjusting the Number of Eligible Shares, the Company shall notify each share acquisition rights holder prior to the adjustment, in writing or through the means of official notice set forth in the Articles of Incorporation, of the adjustment, the reason for it, the Number of Eligible Shares prior to the adjustment, the Number of Eligible Shares after the adjustment, the date of application of the adjustment, and other matters deemed necessary. However, where notification or public notice cannot be issued prior to the date of application of the adjustment, it shall be issued promptly after the date of application of the adjustment.

6. The paid-in amount of the share acquisition rights shall be zero (gratis).

7. Value of assets to be contributed upon exercise of each unit of the share acquisition rights

The value of assets (cash) to be contributed upon exercise of each unit of the share acquisition rights (hereinafter, the "exercise price") shall be one (1) yen.

8. Exercise period of the share acquisition rights

The exercise period of the share acquisition rights shall begin from the date designated in the Share Acquisition Rights Gratis Allotment Resolution (hereinafter, the "beginning of the exercise period") and last for the duration designated in the Share Acquisition Rights Gratis Allotment Resolution. However, where the Company acquires the share acquisition rights as in Paragraph 10, the share acquisition rights cannot be exercised from the date when the Company issues a notification or official notice of the acquisition, to the date of the acquisition. If the final day of the exercise period is not a bank business day, the final day shall be extended to the next bank business day.

9. Conditions placed on exercise of the share acquisition rights

- 1) Under the Terms, the following expressions shall have the meanings designated below, unless otherwise indicated.
 - a. A “specified shareholder” is a shareholder that, as a result of purchases of the Company’s share certificates, etc., or other acquisitions for consideration, or similar actions, holds 20% or more of either of the following:
 - I. The sum of the holding ratios of share certificates, etc. held by holders of the Company’s share certificates, etc.
 - II. The sum of the ownership ratios of share certificates, etc. previously owned by, or which will become owned by, person(s) engaging in purchases of the Company’s share certificates, etc., or other acquisitions for consideration, or similar actions, and the Company’s share certification, etc. owned by specially related parties.
 - b. “Share certificates, etc.” in a. I. refer to the share certificates, etc. designated under Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter, unless otherwise specified. a. II. “Share certificates, etc.” in II. refer to the share certificates, etc. designated under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act.
 - c. “Holders” refer to holders designated under Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act, including those deemed holders based on Paragraph 3 of the said Article.
 - d. “Holding” refers to holding as designated under Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act.
 - e. The “holding ratios of share certificates, etc.” refer to the holding ratios of share certificates, etc. designated under Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act.
 - f. “Ownership” refers to ownership as designated under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act.
 - g. “Specially related parties” refer to specially related parties as designated under Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, regarding parties indicated in Article 27-2, Paragraph 1, this excludes those prescribed in Article 3, Paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers.
 - h. The “ownership ratios of share certificates, etc.” refer to the ownership ratios of share certificates, etc. as designated under Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act.
- 2) The persons designated below cannot exercise share acquisition rights.

Specified shareholders, their joint holders (as designated under Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, including those deemed joint holders based on Paragraph 6 of the said Article), their specially related parties and persons that effectively control their specially related parties, persons that effectively control or jointly control the above, or persons that act jointly with the above, as determined by the Company’s Board of Directors. (However, this is not applicable where the Board of Directors deems that the acquisition or holding of the Company’s share certificates, etc. by this person does not damage the Company’s corporate value or the common interests of shareholders.)
- 3) Even where a share acquisition rights holder, in accordance with the provisions of 2) above, is rendered unable to exercise the share acquisition rights, the Company shall bear no liability for damages, nor any other liability or responsibility, to the share acquisition rights holder.
- 4) The share acquisition rights held by each shareholder cannot be partially exercised.

10. The acquisition of the share acquisition rights by the Company

- 1) If the Board of Directors judges the acquisition of the share acquisition rights appropriate, the Company may acquire all of the share acquisition rights for no consideration, on a date designated by the Company’s Board of Directors falling at any time after the effective date of the gratis allotment of share acquisition rights (or another date designated by the Company’s Board of Directors) and before the beginning of the exercise period.
- 2) The Company may acquire the share acquisition rights of those able to exercise the share acquisition rights in accordance with Paragraph 9, exchanging a number of shares of the Company’s common stock equal to the Number of Eligible Shares for each unit of the share acquisition rights, prior to the expiry of the exercise period for the share acquisition rights in Paragraph 8, on a date designated by the Company’s Board of Directors.
- 3) In the Share Acquisition Rights Gratis Allotment Resolution, the Company’s Board of Directors may decide to include an acquisition clause stating that the Company shall acquire the share acquisition

rights held by persons that cannot exercise the share acquisition rights, as provided in item 2) of Paragraph 9, in exchange for other share acquisition rights with certain exercise conditions and acquisition clauses attached.

11. The exercise of voting rights at General Meetings of Shareholders by shareholders who have newly acquired shares of the Company through the exercise of the share acquisition rights or through the acquisition of the share acquisition rights by the Company.

Shareholders who have newly acquired shares of the Company through the exercise of the share acquisition rights or through the acquisition of the share acquisition rights by the Company may exercise voting rights at General Meetings of Shareholders after the record date designated by the Company.

12. Restrictions on the transfer of the share acquisition rights

The approval of the Company's Board of Directors shall be required for the acquisition of the share acquisition rights by purchase or transfer.

13. Delivery of share acquisition rights in the case of merger, company split, share exchange or share transfer, and the conditions thereof

To be determined by the Company's Board of Directors in the Share Acquisition Rights Gratis Allotment Resolution.

14. The non-issuance of share acquisition rights certificates

The Company shall not issue share acquisition rights certificates.

15. Increase in share capital and legal capital surplus in the case of the issuance of new shares pursuant to the exercise of the share acquisition rights

The amount of the increase in share capital and legal capital surplus in the case of the issuance of new shares of the Company's common stock pursuant to the exercise of the share acquisition rights shall be the amount designated in the Share Acquisition Rights Gratis Allotment Resolution.

16. Share acquisition rights exercise requests and method of payment

When exercising the share acquisition rights, share acquisition rights holders must complete the exercise form (in a format designated by the Company, and including necessary information such as the details and number of the share acquisition rights to be exercised, the date of exercise, and the receiving account (not to be a special account) in which the Company's shares are to be recorded, as well as pledges such as a stated warranty that the shareholders themselves satisfy the Share Acquisition Rights exercise conditions, etc., a reimbursement clause, etc.) with the necessary information, sign and stamp the form, submit it, together with other documents required for the exercise of the share acquisition rights, to be designated separately, and other documents required from time to time under the Companies Act, the Financial Instruments and Exchange Act, and related laws and regulations (including regulations, etc. designated by the Japan Securities Dealers Association and financial instruments exchanges in Japan; hereinafter, these documents shall be collectively referred to as the "Attached Documents"), to the payment handling institution within the period designated in Paragraph 8, and pay to the payment handling institution an amount of cash equivalent to the total exercise price of the share acquisition rights being exercised.

17. Effect, etc. of exercise of the share acquisition rights

The exercise of the share acquisition rights will be effective at the time when the voting rights exercise form and Attached Documents described in Paragraph 16 arrive at the payment handling institution, and an amount of cash equivalent to the total exercise price of the share acquisition rights being exercised is received by the payment handling institution.

18. Legal and regulatory reform, etc.

Where the new establishment, amendment, or abolition of laws and regulations after the gratis allotment of share acquisition rights renders it necessary to amend the wording of these Terms, they shall be interpreted reasonably in view of the purpose and wording of the establishment, amendment, or abolition of the relevant laws and regulations.

(Reference)

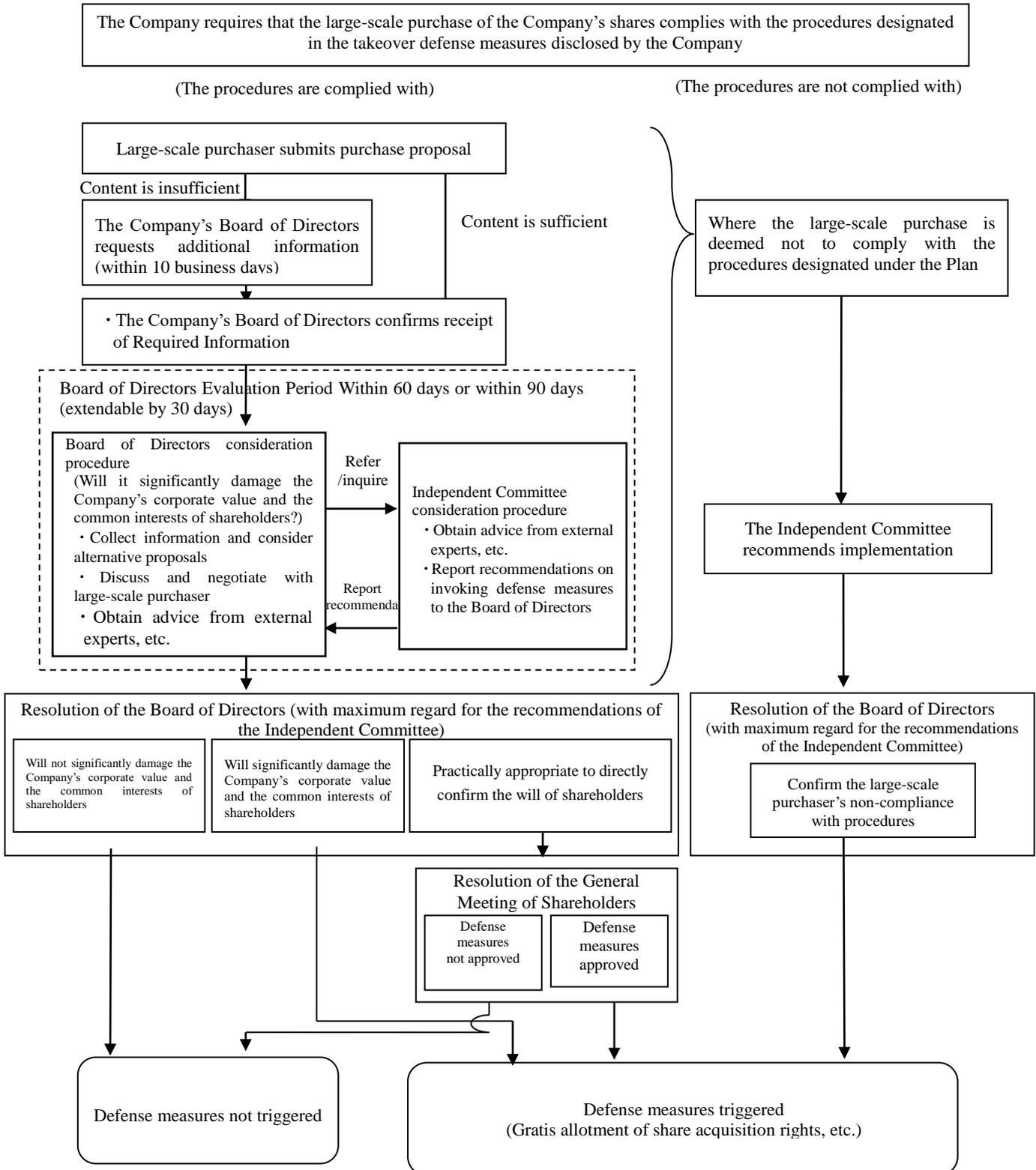
I The Status of the Company's Shares (As of March 31, 2022)

1. Total number of authorized shares: 36,080,000 shares
2. Total number of issued shares: 8,257,027 shares (excluding 112,973 treasury shares)
3. Number of shareholders 4,112 persons
4. Major shareholders (Top 10)

Name	Investment in the Company	
	Number of shares held (thousands)	Ownership ratio (%)
The Master Trust Bank of Japan ,Ltd. (Retirement benefit trust account; DIC Corporation account)	854	10.35
The Master Trust Bank of Japan ,Ltd. (Trust account)	680	8.24
Tokyo Printing Ink Mfg. Co., Ltd.	583	7.07
Custody Bank of Japan, Ltd. (Trust account E)	307	3.72
Mizuho Bank, Ltd.	283	3.43
Custody Bank of Japan, Ltd. (Trust account)	248	3.01
Kimihito Mizumoto	236	2.86
Toyo Ink SC Holdings Co., Ltd.	216	2.63
Custody Bank of Japan, Ltd. (Trust account 4)	204	2.47
ASAHI MUTUAL LIFE INSURANCE CO	200	2.42

II. Flowchart at the Time of the Commencement of a Large-scale Purchase

Flowchart at the Time of the Commencement of a Large-scale Purchase of the Company's Shares
(Forewarning-type)



(Note) This flowchart shows an overview of procedures under the Plan. Please see the main text for details.