

April 18, 2023

Dear valued shareholders:

Name of listed company: Toyo Construction Co., Ltd.
Representative: Kyoji Takezawa, President and Representative Director
(Code: 1890 Tokyo Stock Exchange Prime Market)
Contact for inquiries: Hisashi Tokimizu,
General Manager of Administration Dept., Business Administration Div.
TEL: 03-6361-5450

**Notice Regarding Shareholder Proposal for the Company's
Ordinary General Shareholders Meeting**

On April 17, 2023, the Company received from a shareholder a letter dated that same date (“Shareholder Proposal Letter”), to the effect that the shareholder would make a shareholder proposal regarding agenda items at the Company’s ordinary general shareholders meeting scheduled to be held in June 2023 (“General Shareholders Meeting”); accordingly, the Company informs you of this as follows.

It should be noted that the Company will, in accordance with the official procedures set forth in the Corporate Governance Report, decide and, at an appropriate timing, announce, the proposal for appointment of the directors and corporate auditors that the Company Board of Directors will propose at the General Shareholders Meeting.

1. Shareholder Making the Shareholder Proposal

Godo Kaisha Yamauchi-No. 10 Family Office

2. Description of the Shareholder Proposal

- (1) Matters that are the purpose of the shareholders meeting
 - Agenda Item 1: Appointment of nine (9) directors
 - Agenda Item 2: Appointment of one (1) corporate auditor
 - Agenda Item 3: Revisions to directors’ remuneration

(2) Summary of proposal and reason for proposal

A summary of the proposal and the reasons therefor in the Shareholder Proposal Letter are attached hereto.

3. The Opinion of the Company Board of Directors regarding the Shareholder Proposal

The Company Board of Directors will give serious consideration to the contents of the shareholder proposal and will disclose its opinion regarding the shareholder proposal as soon as its decision is made.

However, it is noted here that Godo Kaisha Yamauchi-No. 10 Family Office and Kabushiki Kaisha KITE (“YFO etc.”) have repeatedly published press releases containing instances of statements that unilaterally distorted facts or deliberately caused misunderstandings, and have made assertions that there are “problems” and “suspicions” regarding the Company’s governance, which are contrary to the facts. In the Shareholder Proposal Letter, YFO etc. repeats the same kind of assertions, without presenting any specific grounds whatsoever. The Company has already informed you of its thinking regarding the facts as asserted by YFO etc. in the materials that the Company disclosed on March 28, 2023 and April 4, 2023 (see the links below) and elsewhere. The Company Board of Directors constructed an appropriate system for considering the acquisition proposal of YFO etc. and has consistently carried out its consideration of the proposal in an appropriate manner. No corporate governance issues exist in the Company.

End

- The Company’s March 28, 2023 press release
<https://www.toyo-const.co.jp/wp/wp-content/uploads/2023/03/20230328-1.pdf>
(Japanese)
https://www.toyo-const.co.jp/en/wp/wp-content/uploads/2023/04/20230331_E_31.pdf
(English)
- The Company’s April 4, 2023 materials (the English version is dated April 6, 2023)
<https://www.toyo-const.co.jp/wp/wp-content/uploads/2023/04/20230404-1.pdf>
(Japanese)
https://www.toyo-const.co.jp/en/wp/wp-content/uploads/2023/04/20230406_E.pdf
(English)

*(ATTACHMENT I)***I. AGENDA ITEMS**

Agenda Item 1: Appointment of nine (9) directors

Agenda Item 2: Appointment of one (1) corporate auditor

Agenda Item 3: Revisions to directors' remuneration

II. SUMMARY OF THE AGENDA ITEMS AND REASONS FOR THE PROPOSALS**1. Agenda Item 1: Appointment of Nine (9) Directors**

The reasons for the proposal, which are common to each agenda item in Agenda Item 1, are as follows. Due to the fact that the Company's stockholding regulations limit the number of characters per proposal to 400, the total number of characters for the reasons for proposals for proposals 1-9 has been confined to within a total of 3,600 characters.

Rebuilding the Board and Corporate Auditors

We propose to rebuild Toyo's Board and corporate auditors by newly appointing nine directors and a corporate auditor to replace three of the Company's current directors (President Kyoji Takezawa, Representative Director Takahiro Yabushita, and Director Mamoru Sato) and three current outside directors. With the rebuilt Board and corporate auditors, we aim: to strengthen the management system to enable achievement of, and to build a strategic vision for, the Company, as well as to build a sound governance system of the Company; to create value through long-term business transformation and unleash Toyo's potential value; and to build a system to seriously evaluate competing acquisition proposals including the proposal made by Yamauchi-No.10 Family Office ("YFO"), to maximize shareholder value. For information on how each candidate can contribute to the improvement of corporate value of the Company, please see below sections titled "reasons for nominating director candidates and expected roles, etc." under each candidate's notable work history¹.

Building a Sound Governance System

¹ For more information for shareholders, please visit YFO's website (in Japanese: <https://www.ja.rebuildtoyo.com/>; in English: <https://www.rebuildtoyo.com/>).

As mentioned below (*see* (Reference: Inappropriate Conducts by Current Directors and the Company's Governance Issues)), the inappropriate conduct by the current directors, including the above-mentioned three directors, and the Company's governance issues have become clear. To improve corporate value and shareholder value, we need to build a sound governance system by appointing directors who have sufficient expertise and independence to replace the current directors who lack such expertise and independence.

YFO's proposed director candidates, Mr. Natori, Mr. Yamaguchi, Mr. Matsuki, and Ms. Murata, and Ms. Nonaka, who is YFO's corporate auditor candidate, have high expertise and independence as governance experts and will be able to rebuild Toyo's governance system. We will build a sound system to improve corporate value and shareholder value of the Company with these lawyers and persons with established track records of leading the legal and compliance departments of listed companies by combining expertise in governance at listed companies and a track record of establishing systems.

Building a System to Improve Corporate Value

YFO has proposed measures to improve corporate value to the Company including detailed management approaches and value creation impact ("**YFO Corporate Value Improvement Measures**"). Mr. Yoshida, Mr. Tousaka, Mr. Uchiyama, Mr. Okada and Mr. Kato, among the director candidates YFO proposed, have practical experience serving as directors and business unit leads at listed companies including infrastructure-related companies, and are capable of improving corporate value at a level that meets or exceeds YFO's Corporate Value Improvement Measures. YFO has proposed its measures to improve corporate value and shareholder value through **long-term profitable growth**.

On the other hand, the recently announced unrealistic Toyo forecast of a three-year dividend payout ratio of 100% in addition to the mid-term management plan and the minimum dividend of 50 yen was intended to protect Toyo's entrenched Board members by boosting the share price in the short term. If the Company aims to grow its profits over the long term through business transformation, it should invest its annual profits in growth investments instead. These unrealistic recently announced policies from Toyo's entrenched Board will damage the Company itself as well as its shareholders and its next generation of employees.

The details of the plan are only a superficial copy of a part of YFO's Corporate Value Improvement Measures, and it remains unclear whether or what systems and measures to make it possible are in place. It is clear from this lack of clarity that the Company does not have the attitude or qualities to realize its mid-term management plan or the improvement of long-term corporate value.

System to Appropriately Consider YFO's Acquisition Proposal

YFO believes that the best way to maximize the Company's corporate value and shareholder value is to take the Company private by YFO's tender offer, a counter-bid to the Toyo-endorsed 770 yen per share Infroneer proposal, at a price of 1,000 yen per share ("**YFO Proposal**"), and YFO is committed to achieving it. On the other hand, as mentioned above, it is clear that the current Board is unable to appropriately consider the YFO Proposal or other proposals for improving Toyo's corporate value due to its entrenchment. Of YFO's director candidates, everyone except for Mr. Yoshida is independent with no business relationship with us (Mr. Yoshida has an advisory agreement with YFO for the purpose of discussing measures to improve Toyo's corporate value, but the agreement is planned to be terminated if Mr. Yoshida is appointed to become the Company's director). This will enable Toyo to appropriately consider all options for measures to improve corporate value, including the YFO Proposal. With the new system in place, we believe that the rebuilt Toyo Board will appropriately and fairly confirm whether there are any more attractive proposals that will better contribute to the improvement of Toyo's corporate value (a market check) than the YFO Proposal.

〈Reference: Inappropriate Conduct by Current Toyo Directors and the Company's Governance Issues〉

Issue① Inappropriate support for the tender offer by Infroneer

Toyo's current entrenched Board took, among others, the following inappropriate actions to maintain their positions and for other reasons in expressing and maintaining its support for the tender offer by Infroneer Holdings Inc. ("**Infroneer**") at a price of 770 yen per share:

- Despite the fact that there was an agreement (secret agreement) between the Company's directors and Infroneer that one or more Toyo Board members would participate in the management of Infroneer, the relevant director(s) kept it secret and led the discussion of the offer for the purpose of entrenchment under a system where conflicts of interest with shareholders arose;
- The Board expressed its approval of Infroneer's 770 yen bid and recommended the proposal after just eight business days from Infroneer's proposal, and without sufficient price negotiation;
- The Board maintained its support for Infroneer's 770 yen tender offer for the purpose of entrenchment in spite of its receipt of YFO's proposal at a price of 1,000 yen per share, thereby blocking opportunities for shareholders to receive higher prices.

Issue② Inappropriate Board Process in Considering Competing Acquisition Proposals

Current Toyo directors President Kyoji Takezawa, Representative Director Takahiro Yabushita, and Director Mamoru Sato, took the following inappropriate actions, among others, in considering YFO's acquisition proposal:

- Took inappropriate and discriminatory measures against YFO's acquisition proposal as compared to their consideration of Infroneer's proposal at a price of 770 yen per share;
- Implemented a poison pill to block YFO's acquisition proposal (which poison pill was withdrawn the day before the 2022 annual shareholders meeting due to lack of support from Toyo shareholders);
- Explained inappropriately in discussion with YFO that the Company could not support a proposal that is premised on going private, failed to seriously consider YFO's acquisition proposal at Board meetings, and failed to seriously consider competing proposals by neglecting YFO's proposal for more than 270 days;
- President Takezawa delivered a letter to YFO stating that he did not agree with YFO's acquisition proposal without going through the formal institutional decision-making process of the Company; and
- Repeatedly engaged in inappropriate information disclosure by arbitrarily concealing inappropriate responses made in the course of negotiations, distorting facts, and manipulating impressions.

Issue③ Governance-related issues

The current Toyo directors, including the above-mentioned three directors, took actions in the process of considering YFO's acquisition proposal not to improve corporate value but to frustrate YFO's higher-priced counter bid and made up other reasons to explain its rejection of YFO's proposal, as they could not disclose the real reason. This course of conduct has made it clear that Toyo's governance is in shambles.

The current Toyo Board and corporate auditors' failure to control this series of inappropriate actions taken by the current Toyo directors shows they are not fulfilling the function of effective management supervision. The Company's Board has become a body that only ratifies the will of President and Representative Director Takezawa, who makes all decisions. YFO has repeatedly pointed out serious governance flaws to the current Board, but the Board insisted that there are no governance issues. The Board's denial in the face of such clear evidence made it clear to us that improvement and soundness cannot be expected to occur from within Toyo's legacy Board. For this reason, a fundamental restructuring is necessary to rebuild Toyo's governance.

YFO's position based on the above issues: the current three directors, who repeatedly engaged in inappropriate conducts, outside directors and corporate auditors should not be re-elected.

As stated above, President Kyoji Takezawa, Representative Director Takahiro Yabushita, and Director Mamoru Sato repeatedly engaged in inappropriate conduct, which are a problem for the Company's governance. In relation to YFO's acquisition proposal, they failed to consider competing proposals including YFO's proposal, and repeatedly engaged in actions to prevent the improvement of the Company's corporate value and shareholder value. Moreover, despite repeated requests from YFO, other directors have failed to supervise or correct actions of the three directors.

As the current directors have not been able to fulfill their responsibilities as expected by the shareholders who have entrusted them with management of Toyo and its assets, it is clear that Toyo's Board lacks the track record or qualities to improve corporate value and shareholder value.

In addition, the current outside directors and corporate auditors have failed to supervise or correct the above-mentioned inappropriate conduct, thereby failing to fulfill their role to supervise the business operations from a position independent from the management.

For these reasons, the current three directors, who repeatedly engaged in inappropriate conduct, and all of Toyo's outside directors and corporate auditors should not be re-elected.

(1) Proposal 1

a. Summary of Proposal

Appointment of Shinya Yoshida as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Shinya Yoshida DOB: December 8, 1960	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1985	Commenced employment at Mitsubishi Corporation
April 2013	Executive Officer, General Manager of Corporate Planning, Mitsubishi Corporation
April 2016	Managing Executive Officer, New Industry Financial Business Group CEO, Mitsubishi Corporation

April 2019	Managing Executive Officer, Officer in Charge of Corporate (domestic) & Kansai Branch President, Mitsubishi Corporation
June 2019	Representative Director & Managing Executive Officer, Officer in Charge of Corporate (domestic) & Kansai Branch President, Mitsubishi Corporation
April, 2020	Representative Director & Managing Executive Officer, Officer in Charge of Corporate (domestic development) & Kansai Branch President, Mitsubishi Corporation
February, 2022	Advisor to the Chairman for Special Missions, Nippon Densan Co., Ltd. (currently known as NIDEC Corporation)
April, 2022	Managing Executive Officer, Nippon Densan Co., Ltd.
May, 2022	Managing Executive Officer, Chief Administrative Officer and Executive Officer in Charge of Corporate Planning, Nippon Densan Co., Ltd.
July, 2022	Senior Executive Officer, Chief Administrative Officer and Executive Officer in charge of Corporate Planning, Nippon Densan Co., Ltd.
October, 2022	Part-time Advisor, Nippon Densan Co., Ltd.
	<Material Concurrent Positions> None

■ Number of the Company's shares held: 0

■ Reasons for nominating director candidates and expected roles, etc.

Mr. Yoshida has extensive management experience in creating and executing new businesses by changing management strategies such as advancing into the overseas urban development business and developing the data center business as CEO of the New Industry Financial Business Group of Mitsubishi Corporation, which includes real estate business and PE investment business. In addition, he has a track record of building foundations for business management, investment management, and governance through his experience as an executive officer and general manager of corporate planning and a representative director and executive officer in charge of corporate of Mitsubishi Corporation. Based on his abundant management experience and specialized knowledge in business management, the Company can expect Mr. Yoshida to contribute to the formulation of strategies and the construction of a truly viable system when taking on strategic initiatives in investment businesses (e.g. offshore wind power) and private construction businesses, which require an advanced management system that is completely different from the conventional contracted construction business, to increase the certainty of the realization of the company-wide transformation program, and to lead the execution of management based on strategic thinking. For those reasons, we propose to appoint Mr. Yoshida as the Company's internal executive director.

<p>■ Existence of Special Interest</p> <p>There is an advisory agreement between Mr. Yoshida and YFO for the purpose of discussing the improvement of the Company's corporate value, but the agreement is planned to be terminated if Mr. Yoshida is appointed to become the Company's director.</p>
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(2) Proposal 2

a. Summary of Proposal

Appointment of Akira Tousaka as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Akira Tousaka DOB: June 3, 1959	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1983	Commenced employment at Fujita Engineering Co., Ltd. (currently known as Fujita Corporation)
April 2008	General Manager of Construction Management Department, Construction Division, Fujita Engineering Co., Ltd.
April 2010	General Manager of Construction Management Department of the East Japan Regional Office & Deputy General Manager of the Kanto Branch, East Japan Regional Office, Fujita Engineering Co., Ltd.
April 2012	General Manager of Construction Management Department of the Tokyo Metropolitan Branch & Deputy General Manager of the Tokyo Branch, Fujita Engineering Co., Ltd.
April 2017	Deputy Chief of Construction Headquarters & Director of Productivity Promotion & Director of Inspection, Fujita Engineering Co., Ltd.
April 2020	Executive Member, Construction Headquarters, Fujita Engineering Co., Ltd.
February 2022	Director & Executive Officer, Frontier Construction & Partners Co., Ltd. (incumbent) (*if Mr. Tousaka is appointed to become the Company's director, he is planning to resign as Director & Executive Officer of Frontier Construction & Partners Co., Ltd.)

April 2022	Director & Senior Executive Officer, Contec Ltd. (incumbent) (*if Mr. Tousaka has been appointed to become the Company's director, he is planning to resign as Director & Senior Executive Officer of Contec Ltd.)
	<Material Concurrent Positions> None.
<p>■ Number of the Company's shares held: 0</p> <p>■ Reasons for nominating director candidates and expected roles, etc.</p> <p>Mr. Tousaka has extensive experience in the management of up to 100 billion yen scale in the private construction business, improvement of productivity, and promotion of digital transformation as general manager of Construction Management Department of the East Japan Regional Office, general manager of Construction Management Department of the Tokyo Metropolitan Branch, and deputy chief of Construction Headquarters. In addition, he has experience in business transformation, including planning and promoting the development of new technologies within new organizations resulted from the business transformation program sponsored by Goldman Sachs and the acquisition of Daiwa House Industry Co., Ltd. Based on his abundant experience and specialized knowledge in the private construction business field, the Company can expect Mr. Tousaka to lead the promotion of transformation for profit growth in the private construction business, which includes the introduction of a new profit management system, formalization of experience, and incorporation of high-value-added areas, to contribute to strategy formulation and the construction of a truly viable system, and to increase the certainty of realizing the company-wide transformation program. For those reasons, we propose to appoint Mr. Tousaka as the Company's internal executive director.</p>	
<p>■ Existence of Special Interest</p> <p>Mr. Tousaka does not have any special interest in the Company.</p>	

(3) Proposal 3

a. Summary of Proposal

Appointment of Masato Uchiyama as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Masato Uchiyama DOB: July 23, 1955	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1978	Commenced employment at Electric Power Development Co., Ltd. (J-Power)
March 2005	General Manager of Energy Operation, Electric Power Development Co., Ltd.
June 2009	Executive Officer & General Manager of Energy Operations Department, Electric Power Development Co., Ltd.
December 2011	Managing Executive Officer, Electric Power Development Co., Ltd.
June 2013	Director & Managing Executive Officer, Electric Power Development Co., Ltd.
June 2015	Director & Executive Vice President, Electric Power Development Co., Ltd.
June 2016	Representative Director & Executive Vice President, Electric Power Development Co., Ltd.
April 2019	Representative Director & Vice President Executive Officer, Electric Power Development Co., Ltd.
	<Material Concurrent Positions> None.
■ Number of the Company's shares held: 0	
■ Reasons for nominating director candidates and expected roles, etc. Mr. Uchiyama has extensive experience at Electric Power Development Co., Ltd. (J-Power) for sales, fuel resources, finance, HR, planning and general administration, and has expertise in energy-related operations. He also has extensive experience and expertise in corporate management, as he has led that company by serving as director & executive officer, director & vice president, director & vice president & executive officer, and general manager of the Energy Sales Headquarters. Based on his abundant experience and specialized knowledge in corporate management, the Company can expect Mr. Uchiyama to enhance the quality of discussions on strategies by the Company's Board when taking on strategic initiatives in investment businesses (e.g. offshore wind power) and private construction businesses and to contribute to the company-wide transformation program. For those reasons, we propose to appoint Mr. Uchiyama as the Company's outside director.	
■ Existence of Special Interest	

Mr. Uchiyama does not have any special interest in the Company.

(4) Proposal 4

a. Summary of Proposal

Appointment of Masaharu Okada as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Masaharu Okada DOB: May 7, 1956	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1979	Commenced employment at Taisei Corporation
August 1996	Construction Work Site Manager, Kanto Branch, Taisei Corporation
October 2005	General Manager of Construction Department, Kanto Branch, Taisei Corporation
June 2009	General Manager of Sales Department, Kanto Branch (Construction), Taisei Corporation
April 2013	Executive Officer & General Manager of Kanto Branch, Taisei Corporation
April 2015	Managing Executive Officer & General Manager of Construction Sales Division, Taisei Corporation
June 2020	Senior Executive Officer & General Manager of Construction Sales Division III, Taisei Corporation
April 2021	Advisor, Taisei Corporation
	<Material Concurrent Positions> None
■ Number of the Company's shares held: 0	
■ Reasons for nominating director candidates and expected roles, etc. Mr. Okada has extensive experience and expertise in sales strategies in the private construction business field having served as general manager of the Kanto Branch Construction Department, general manager of the Kanto Branch Sales Headquarters (construction), and also as an executive officer to lead the construction sales division of 20 locations globally, including Southeast Asia. Based on his abundant experience and	

specialized knowledge in the private construction business field, the Company can expect Mr. Okada to enhance the quality of strategic initiatives for the profit growth of the private construction business, which is an important lever for the Company's future improvement of corporate value, and to contribute to the company-wide transformation program. For those reasons, we propose to appoint Mr. Okada as the Company's outside director.

■ Existence of Special Interest

Mr. Okada does not have any special interest in the Company.

(5) Proposal 5

a. Summary of Proposal

Appointment of Shinichi Kato as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Shinichi Kato DOB: June 29, 1962	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1986	Commenced employment at The Mitsui Bank, Ltd. (currently known as Sumitomo Mitsui Banking Corporation)
August 1998	Deputy General Manager, Structured Finance Department, Tokyo Branch, Credit Lyonnais (currently known as Credit Agricole CIB)
April 2004	General Manager of Sales Development Headquarters, GE Capital Leasing K.K. (currently known as GE Japan K.K.)
July 2007	General Manager, Leveraged Finance Department, Tokyo Branch, Calyon Bank (currently known as Credit Agricole CIB)
June 2011	Chief Financial Officer, Tokyo Star Bank, Ltd.
December 2016	Managing Director & COO, Equis Energy Japan K.K. (currently known as Vena Energy Japan K.K.)
December 2017	Business Development Director, Acacia Renewables, K.K.
July 2018	Representative Director & CEO, juwi Nippon Energy K.K.
June 2019	Japan Chair & President, RWE Renewables Japan G. K.
March 2022	President & CEO, Progression Energy Japan G.K. (incumbent)

	<p><Material Concurrent Positions></p> <p>President & CEO, Progression Energy Japan G.K.</p>
■	Number of the Company's shares held: 0
■	<p>Reasons for nominating director candidates and expected roles, etc.</p> <p>Mr. Kato has extensive management experience and expertise in the field of offshore wind energy, including in the global competitive environment including technical trends and standard specifications, as well as future supply and demand scenarios in the Japanese market having served as a Japanese representative of RWE, the world's leading German offshore wind energy company operating in 18 offshore wind farms in five countries. In addition, he has extensive experience and expertise in corporate management and capital policy through serving as CFO of the Tokyo Star Bank, and a managing director & COO of Equis Energy Japan K.K. The Company can expect that Mr. Kato's abundant experience and specialized knowledge in offshore wind field will greatly contribute to the Board in the formulation of evaluation criteria for economic efficiency, risk, competitive advantage and other items in the offshore wind field, in the evaluation of strategic options, and in the implementation of business strategies. For those reasons, we propose to appoint Mr. Kato as the Company's outside director.</p>
■	<p>Existence of Special Interest</p> <p>Mr. Kato does not have any special interest in the Company.</p>

(6) Proposal 6

a. Summary of Proposal

Appointment of Katsuya Natori as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Katsuya Natori DOB: May 15, 1959	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1986	Commenced working at Masuda & Ejiri (currently known as Nishimura & Asahi)
June 1990	Commenced working at Davis Wright Tremaine
July 1992	Commenced working at Wilmer, Cutler & Pickering

July 1993	Commenced employment at Esso Sekiyu K.K. (currently known as ENEOS Corporation)
January 1995	Commenced employment at Apple Computer, Inc. (currently known as Apple Japan G.K.)
January 1998	Director, Sun Microsystems K.K. (currently known as Oracle Information Systems (Japan) G.K.)
March 2002	Executive Officer, Fast Retailing Co., Ltd.
January 2004	Director & Executive Officer, IBM Japan, Ltd.
April 2010	Executive Officer, IBM Japan, Ltd.
February 2012	Established Natori Law Office Head of Natori Law Office
April 2012	Outside Director, Olympus Corporation
March 2015	Outside Director, MODEC, Inc.
April 2016	Supervisory Officer, Global One Real Estate Investment Corporation (incumbent)
June 2019	Outside Director & Chairman of the Auditor and Supervisory Committee, Olympus Corporation
June 2020	Outside Director, Recruit Holdings Co., Ltd. (incumbent) Outside Corporate Auditor, Pasona Tquila Inc. (currently known as Circlace Co., Ltd.) (incumbent)
December 2020	Managing Partner, ITN Partners (incumbent)
June 2021	Outside Director, Tokyo Rope Mfg. Co., Ltd. (incumbent)
March 2023	Outside Corporate Auditor, Hino Motors Ltd. (incumbent)
	<p><Material Concurrent Positions></p> <p>Managing Partner, ITN Partners</p> <p>Supervisory Officer, Global One Real Estate Investment Corporation</p> <p>Outside Director, Recruit Holdings Co., Ltd.</p> <p>Outside Corporate Auditor, Pasona Tquila Inc. (currently known as Circlace Co., Ltd.)</p> <p>Outside Director, Tokyo Rope Mfg. Co., Ltd.</p> <p>Outside Corporate Auditor, Hino Motors Ltd.</p>
<p>■ Number of the Company's Shares Held: 0</p>	
<p>■ Reasons for nominating director candidates and expected roles, etc.</p> <p>Mr. Natori is not only an international lawyer with extensive experience but has also been involved in the management of several Japanese and foreign-affiliated companies, and has expertise in legal affairs, compliance, risk management, as well as in</p>	

management and governance of listed companies. As such, he can provide expert knowledge on legal affairs, compliance, risk management rooted in practice, especially in strengthening governance by the Company's Board, where the Company has management issues related to disclosure, governance, and compliance system. Based on such insight, the Company can expect Mr. Natori to fulfill through its Board his management and supervisory responsibilities independent from the management by appropriately evaluating whether the management is conducting the business with an aim to maximize corporate value and shareholder value. For those reasons, we propose to appoint Mr. Natori as the Company's outside director.

■ Existence of Special Interest

Mr. Natori does not have any special interest in the Company.

(7) Proposal 7

a. Summary of Proposal

Appointment of Toshiaki Yamaguchi as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Toshiaki Yamaguchi DOB: June 26, 1960	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
March 1990	Registered with the Osaka Bar Association Commenced working at Takeuchi and Inoue Law Office
April 1995	Established Yamaguchi Toshiaki Law Office Representative Partner, Yamaguchi Toshiaki Law Office (incumbent)
June 2004	Outside Corporate Auditor, Friendly Corporation
April 2007	Instructor, Doshisha Law School
October 2008	Executive Member, Japan Internal Control Association (currently known as Japan Governance Research Association) (incumbent)
July 2010	Executive Member, Association of Certified Fraud Examiners
July 2012	Leader of Outside Director Guidelines Study Team of the Judicial System Research Board, Japan Federation of Bar Associations
March 2013	Outside Director, Nissen Holdings Co., Ltd.

June 2013	Outside Director, Daito Trust Construction Co., Ltd. (incumbent) Member, Evaluation Committee (currently known as Governance Committee), Daito Trust Construction Co., Ltd.
August 2014	Executive Member, Japan Corporate Governance Network (incumbent)
December 2014	Outside Corporate Auditor, Osaka University Venture Capital Co., Ltd.
February 2015	Corporate Auditor, Osaka Municipal Transportation Bureau
June 2015	Member, Committee on Whistleblower Protection System, Consumer Affairs Agency
June 2017	Chairman of the Governance Committee, Daito Trust Construction Co., Ltd. (incumbent)
April 2018	Outside Corporate Auditor, Osaka Metro Co., Ltd. (incumbent)
October 2018	Advisor, Compliance Promotion Council of Ministry of Finance (incumbent)
July 2019	Outside Member, Regeneration Promotion Council of Ministry of Finance (incumbent)
December 2021	Chairman, Nominating and Remuneration Committees, Daito Trust Construction Co., Ltd. (incumbent)
October 2022	Ad-Hoc Member, Business Accounting Council of Financial Service Agency (incumbent)
	<p><Material Concurrent Positions></p> <p>Representative Partner, Yamaguchi Toshiaki Law Office</p> <p>Executive Member, Japan Internal Control Association</p> <p>Outside Director & Chairman of the Governance Committee & Chairman of the Nominating and Remuneration Committees, Daito Trust Construction Co., Ltd.</p> <p>Executive Member, Japan Corporate Governance Network</p> <p>Outside Corporate Auditor, Osaka Metro Co., Ltd.</p> <p>Advisor, Compliance Promotion Council of Ministry of Finance</p> <p>Outside Member, Regeneration Promotion Council of Ministry of Finance</p> <p>Ad-Hoc Member, Business Accounting Council of Financial Service Agency</p>
<p>■ Number of the Company's Shares Held: 0</p>	
<p>■ Reasons for nominating director candidates and expected roles, etc.</p> <p>Mr. Yamaguchi is an experienced lawyer with expertise in legal affairs, compliance, and risk management. He has served as a committee member and advisor of several</p>	

government agencies and listed companies, and his expertise has been highly regarded. He also has extensive expertise in governance of listed companies, as he has experience of serving as an outside director and outside corporate auditor of companies, as well as a chairman of the board, chairman of nominating and remuneration committees, and chairman of a special committee in an M&A transaction. Based on the above, the Company can expect Mr. Yamaguchi to fulfill through its Board his management and supervisory responsibilities independent from the management by appropriately evaluating whether the management is conducting the business with an aim to maximize corporate value and shareholder value. For those reasons, we propose to appoint Mr. Yamaguchi as the Company's outside director.

■ Existence of Special Interest

Mr. Yamaguchi does not have any special interest in the Company.

(8) Proposal 8

a. Summary of Proposal

Appointment of Kazumichi Matsuki as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Kazumichi Matsuki DOB: August 17, 1951	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1976	Commenced employment at Mitsubishi Corporation
June 1979	Acquired LL.M. at Harvard Law School
January 2003	General Manager of Legal Department, Mitsubishi Corporation
April 2007	Executive Member, Mitsubishi Corporation
May 2007	Chairman, The Association of Corporate Legal Department
April 2009	Assistant Officer in Charge of Corporate Affairs & General Manager of Compliance, Mitsubishi Corporation
April 2010	Visiting Professor, Graduate Schools for Law and Politics of University of Tokyo
April 2011	Executive Officer, Hokuetsu Kishu Paper Co., Ltd. (currently known as Hokuetsu Corporation)

June 2011	Director, Hokuetsu Kishu Paper Co., Ltd. Member of the Special Working Group on the Criminal Justice System for a New Era, Committee of the Legislative Council of the Ministry of Justice
June 2013	Executive Managing Director, Hokuetsu Kishu Paper Co., Ltd.
June 2016	Outside Director (Audit & Supervisory Committee Member), Dream Incubator Inc. Outside Corporate Auditor, Sanden Holdings Corporation (currently known as Sanden Corporation)
June 2017	Board Member of Japan Criminal Policy Society (incumbent)
June 2018	Outside Director, Anest Iwata Corporation
March 2019	Outside Director, Nissha Co., Ltd. (incumbent)
March 2020	Executive Member, Japan International Dispute Resolution Center (incumbent)
June 2020	Outside Director, Anest Iwata Corporation (Auditor and Supervisory Committee Member) (incumbent)
	<Material Concurrent Positions> Outside Director, Nissha Co., Ltd. Outside Director, Anest Iwata Corporation (Auditor and Supervisory Committee Member) Board Member of Japan Criminal Policy Society Executive Member, Japan International Dispute Resolution Center
■ Number of the Company's Shares Held: 0	
<p>■ Reasons for nominating director candidates and expected roles, etc.</p> <p>Mr. Matsuki has expertise based on his extensive practical experience in leading legal and compliance departments of a listed company to handle complex legal issues, and also has extensive experience in governance of listed companies through serving as an outside director (including corporate audit committee member) in several companies. As such, he can provide expert knowledge on legal affairs, compliance, risk management rooted in practice, especially in strengthening governance by the Company's Board, where it has management issues related to disclosure, governance, and compliance system. In addition, the Company can expect Mr. Matsuki to fulfill through its Board his management and supervisory responsibilities independent from the management by appropriately evaluating whether the management is conducting the business with an aim to maximize corporate value and shareholder value. For those reasons, we propose to appoint Mr. Matsuki as the Company's outside director.</p>	

<p>■ Existence of Special Interest</p> <p>Mr. Matsuki does not have any special interest in the Company.</p>
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(9) Proposal 9

a. Summary of Proposal

Appointment of Tsuneko Murata as a director

b. Reason of Proposal

Please refer to the common reason of proposal as stated above.

c. Biography of the Candidate

Tsuneko Murata DOB: September 27, 1958	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1982	Commenced employment at Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)
May 2003	General Manager, Legal Department of Panasonic System Solutions Japan Co., Ltd. (currently known as Panasonic Connect Co., Ltd.), Matsushita Electric Industrial Co., Ltd.
April 2007	General Manager, Legal & CSR Department of Home Appliances Co., Ltd. (currently known as Living Appliances and Solutions Company), Matsushita Electric Industrial Co., Ltd.
June 2008	Director, Matsushita Equipment Network Service Co., Ltd. (currently known as Panasonic Safety Service Co., Ltd.)
February 2010	Director of Lifelong Learning Policy Bureau, Ministry of Justice
July 2013	Executive Member in charge of Special Missions at the Legal Headquarters, Panasonic Corporation
January 2014	Executive Member, Japan Pension Service
January 2016	Auditor-Secretary, Japan Pension Service
June 2018	Outside Corporate Auditor, Japan Finance Corporation Auditor & Supervisory Committee Member, Advantest Corporation
June 2019	Outside Director, Auditor & Supervisory Committee Member, Fujikura Ltd.
March 2021	Outside Director, Milbon Co., Ltd. (incumbent)
June 2021	Outside Director, Kakuyasu Group Co., Ltd. (incumbent)

June 2022	<p>Outside Director, Auditor and Supervisory Committee Member, Tokyo Seimitsu Co., Ltd. (incumbent)</p> <p>Outside Director, Auditor and Supervisory Committee Member, Sun Frontier Fudosan Co., Ltd. (incumbent)</p>
	<p><Material Concurrent Positions></p> <p>Outside Director, Milbon Co., Ltd.</p> <p>Outside Director, Kakuyasu Group Co., Ltd.</p> <p>Outside Director, Auditor and Supervisory Committee Member, Tokyo Seimitsu Co., Ltd.</p> <p>Outside Director, Auditor and Supervisory Committee Member, Sun Frontier Fudosan Co., Ltd.</p>
<p>■ Number of the Company's Shares Held: 0</p>	
<p>■ Reasons for nominating director candidates and expected roles, etc.</p> <p>Ms. Murata has expertise in legal affairs, compliance and risk management based on her practical experience in leading legal and CSR departments of a listed company to handle complex legal issues, and also has extensive experience in governance of listed companies through serving as an outside director (including corporate audit committee member) in several companies. As such, she can provide expert knowledge on legal affairs, compliance, risk management rooted in practice, especially in strengthening governance by the Company's Board, where it has management issues related to disclosure, governance, and compliance system. In addition, the Company can expect Ms. Murata to fulfill through its Board her management and supervisory responsibilities independent from the management by appropriately evaluating whether the management is conducting the business with an aim to maximize corporate value and shareholder value. For those reasons, we propose to appoint Ms. Murata as the Company's outside director.</p>	
<p>■ Existence of Special Interest</p> <p>Ms. Murata does not have any special interest in the Company.</p>	

(Note)

- (1) Masato Uchiyama, Masaharu Okada, Shinichi Kato, Katsuya Natori, Toshiaki Yamaguchi, Kazumichi Matsuki, and Tsuneko Murata are candidates for outside directors.
- (2) If Masato Uchiyama, Masaharu Okada, Shinichi Kato, Katsuya Natori, Toshiaki Yamaguchi, Kazumichi Matsuki, and Tsuneko Murata have been appointed to become the Company's outside directors, a limited liability agreement is planned to be entered into with the Company. The maximum amount of liability for damages based on the agreement will be

the minimum amount of liability provided by law.

2. Agenda Item 2: Appointment of One (1) Corporate Auditor

(1) Proposal 10

a. Summary of Proposal

Appointment of Tomoko Nonaka as a corporate auditor

b. Reason of Proposal

Even though the current corporate auditors have been repeatedly requested by YFO to address governance issues in relation to the inappropriate conduct of Toyo's current directors, including the above-mentioned three directors, the corporate auditors have failed to sufficiently fulfill their responsibilities to supervise and correct such conduct.

As such, it is necessary to appoint a corporate auditor who possesses sufficient expertise in governance and independence to improve the independence and effectiveness that the current corporate auditors do not have.

Ms. Nonaka is the most suitable person to rebuild Toyo's governance system, as she has extensive experience as an outside auditor and has a high degree of expertise and independence as a governance expert. By appointing her, the Company will improve the management supervisory function of its business execution and improve the unsound governance system.

c. Biography of the Candidate

Tomoko Nonaka DOB: June 3, 1956	
■ Work History, Positions, Responsibilities and Material Concurrent Positions	
April 1995	Registered with the Tokyo Bar Association Kawabata Law Office
April 1999	Managing Lawyer, Tokyo Ginza Law Office
April 2009	Instructor of Civil Defense at The Legal Training and Research Institute of the Supreme Court of Japan
October 2013	Bar Examiner for New Bar Examination & Preliminary Bar Examination (Code of Civil Procedure), Ministry of Justice
February 2018	Managing Lawyer, Nonaka & Kawarabayashi Law Office (incumbent)
June 2019	Outside Director, Fukuyama Transporting Co., Ltd. (incumbent)
	<Material Concurrent Positions>

	Managing Lawyer, Nonaka & Kawarabayashi Law Office Outside Director, Fukuyama Transporting Co., Ltd.
■	Number of the Company's Shares Held: 0
■	Reasons for nominating corporate auditor candidates and expected roles, etc. Ms. Nonaka has more than 28 years of experience as a lawyer and has extensive experience in handling various legal issues. She has also served as an instructor of Civil Defense at the Legal Training and Research Institute of the Supreme Court of Japan and bar examiner for New Bar Examination and Preliminary Bar Examination (Civil Procedure) of the Ministry of Justice, and her legal knowledge and expertise has been highly regarded. In addition, as she has served as an outside director of Fukuyama Transporting Co., Ltd., a listed company, since 2019, she is well-versed in legal affairs, compliance, and governance of listed companies. Based on the above, Ms. Nonaka is able to fulfill the responsibilities of supervising the Company's Board as its corporate auditor to ensure that the Board is acting appropriately, especially with regard to its governance issues, and we propose to appoint Ms. Nonaka as the Company's corporate auditor.
■	Existence of Special Interest Ms. Nonaka does not have special interest in the Company.

(Note)

- (1) Tomoko Nonaka is a candidate for a corporate auditor position.
- (2) If Tomoko Nonaka has been appointed to become the Company's corporate auditor, a limited liability agreement is planned to be entered into with the Company. The maximum amount of liability for damages based on the agreement will be the minimum amount of liability provided by law.

3. Agenda Item 3: Revision of the Amount of Remuneration for Directors

- (1) Proposal 11 Revision of the amount of remuneration for directors
 - a. Summary of Proposal
Subject to the approval of the appointment of all or part of the director candidates as proposed in Proposals 1 through 9, out of the maximum amount of remuneration for directors of 33 million yen per month, the amount for outside directors shall not exceed 10.5 million yen per month
 - b. Reason of Proposal
It was resolved at the Company's 98th annual general shareholders meeting held on June

26, 2020, that the maximum amount of remuneration for directors shall not exceed 33 million yen per month (including three million yen per month for outside directors). At the time of the resolution, the number of directors was nine (of which there were two outside directors).

The number of current directors is eight (of which there are three outside directors), and if all of the Proposals 1 through 9 have been approved and the current six directors (including three outside directors) are not re-elected, the number of directors will be 11 (of which there are seven outside directors). In anticipation of such increase in the number of outside directors, we propose to increase the maximum amount of remuneration for outside directors.