Securities Code: 5185
June 7, 2024
(Date of commencement of measures for electronic provision: June 4, 2024)

To Our Shareholders:

105 Sugaya 3-chome, Ageo City, Saitama Prefecture

President & CEO Ikuo Oshiro

Notice of the 71st Ordinary General Meeting of Shareholders

Thank you very much for your continued support.
We are pleased to inform you that the 71st Ordinary General Meeting of Shareholders of FUKOKU Co., Ltd. (the Company) will be held as indicated below.
In convening the 71st Ordinary General Meeting of Shareholders, the Company has taken measures for electronic provision of information on the following website:

FUKOKU Co., Ltd.'s website
(https://www.fukoku-rubber.co.jp/ir/general-meeting.html)

In addition to the above website, the information is posted on the following website:

Tokyo Stock Exchange (TSE) website
(https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show)

Please access the above website, enter and search for either the name of the Company or its Security Code (5185) and select "Basic Information" then "Documents for public inspection/PR information" to review the information.

If you will not be attending the meeting in person, please consider exercising your voting rights via the internet or in writing. To exercise your voting rights, please review the Reference Documents for the General Meeting of Shareholders as below and refer to the "Guide for the Exercise of Voting Rights" (pages 5 and 6) and exercise your voting rights by no later than 5:00 p.m. on Tuesday, June 25, 2024.

Sincerely yours,

1. Date	Wednesday, June 26, 2024, at 10:00 a.m. (Reception for attendees starts from 9:30 a.m.)	
2. Venue	3-2 Shin-toshin, Chuo-ku, Saitama City, Saitama Prefecture Sakura Hall, THE MARK GRAND HOTEL (3F) (The venue this year is the same as last year. Please refer to the "Access Information for the Venue of the General Meeting of Shareholders" provided at the end of the document.)	
3. Purpose	Items to be reported	1. Report on the Business Report, Consolidated Financial Statements, and Audit Reports of Consolidated Financial Statements by Accounting Auditor and Audit and Supervisory Committee for the 71st Fiscal Year (April 1, 2023 to March 31, 2024) 2. Report on Non-Consolidated Financial Statements for the 71st Fiscal Year (April 1, 2023 to March 31, 2024)
	Items to be resolved	Agenda No. 1 Election of Seven (7) Directors (Excluding Directors who are Audit and Supervisory Committee Members) Agenda No. 2 Election of One (1) Director who is Substitute Audit and Supervisory Committee Member Agenda No. 3 Continuation of Countermeasures to Large-Scale Acquisitions of the Company's Shares, etc. (a takeover response policy)
4. Other Notes regarding the Convocation of the Meeting	1. If you wish to exercise your voting rights via a proxy, such proxy must be another shareholder of the Company who has voting rights. The proxy can only be one other shareholder. 2. If you fail to indicate your approval or disapproval on the voting form, it will be deemed that you indicated your approval with respect to the Company's proposals. 3. If you exercise voting rights both via the internet and in writing, the exercise via the internet will be deemed effective. If you exercise voting rights twice or more via the internet, the most recent exercise of voting rights will be deemed effective.	

◎ If you will be attending the Meeting, please submit your voting form at the reception.

◎ The document mailed to shareholders who requested printed documents does not include the following matters, in accordance with laws and regulations and the provision of Article 13 of the Articles of Incorporation of the Company. Therefore, the relevant printed document is part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditors in the course of preparing the Audit Report.

- Basic policy for control over the business corporation," "System for ensuring the appropriateness of operations and its operating status," and "Policy on determination of distribution of surplus, etc." in the Business Report.
- "Consolidated statement of changes in equity" and "Notes to consolidated financial statements" in the Consolidated Financial Statements
- "Statement of changes in net assets" and "Notes to non-consolidated financial statements" in the Non-Consolidated Financial Statements.

◎ Any revisions to the matters provided electronically will be posted on each relevant website. Other matters for shareholders of the Company will be posted on the website of the Company.

◎ This document is an English translation of a statement initially written in Japanese. The Original Japanese document should be considered as the primary version.

Reference Documents for General Meeting of Shareholders

Agenda No. 1: Election of Seven (7) Directors (Excluding Directors who are Audit and Supervisory Committee Members)

The term of office of six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members; the same is applicable in this agenda item herein below) will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes the election of seven (7) Directors (including three (3) Outside Directors), increasing the total number of Directors by one (1) with the aim of further strengthening the management system.

The details of the proposal under this agenda item were approved by the Board of Directors after receiving a report from the Nomination and Remuneration Committee, a consulting body to the Board of Directors, the majority of which are comprised of independent Outside Directors.

In addition, with regard to this agenda item, the Audit and Supervisory Committee is of the opinion that it is appropriate to elect the respective candidates as Directors.

The candidates for Directors are as follows.

Candidate No.	Name				Current positions in the Company
1	Re-election	Takashi Ogawa			Chairperson
2	Re-election	Ikuo Oshiro			President & CEO
3	Re-election	Masahiro Emura			Director & Corporate Officer
4	New election	Ikjun Kwon			
5	Re-election	Robert H. Janson	Outside	Independent Corporate Officer	Outside Director
6	Re-election	Hiroko Shimizu	Outside	Independent Corporate Officer	Outside Director
7	Re-election	Yutaka Koizumi	Outside	Independent Corporate Officer	Outside Director

Candidate No.

1

Takashi Ogawa (February 26, 1954)

Re-election

Number of shares of the Company owned by Candidate

25,780 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1976	Joined NIPPONDENSO CO., LTD. (current DENSO CORPORATION)
May 1993	Vice President of the U.S. entity of ASMO Co., Ltd. (current DENSO CORPORATION)
June 2003	Director, Head of Quality Assurance Department of DENSO CORPORATION
June 2008	Managing Director of DENSO CORPORATION
June 2012	President of the Indonesian entity of DENSO CORPORATION
December 2015	Vice President & Representative Director of DENSO CORPORATION
April 2018	Executive Advisor to the Motor Business of DENSO CORPORATION
April 2019	Joined the Company as Vice President and Director & Corporate Officer, Head of Business Management Headquarters
June 2019	Vice President & Representative Director, Assistant to President and Head of Business Management Headquarters
April 2020	Vice President & Representative Director, and Assistant to President
July 2020	President & CEO of the Company
June 2023	Chairperson of the Company (incumbent)

[Reasons for the nomination]

Mr. Takashi Ogawa has a wide range of knowledge on the overall management of an automobile parts manufacturer and excellent leadership based on his extensive experience gained so far at the Company and other companies, and thus we consider him to be appropriate as a Candidate for Director and request his election.

Candidate No.

2

Ikuo Oshiro (January 15, 1961)

Re-election

Number of shares of the Company owned by Candidate

11,880 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1983	Joined the Company
April 2016	Head of OA Business Unit of the Company, in charge of new businesses
April 2019	Corporate Officer, Head of Functional Parts Business, Business Management Headquarters
April 2020	Corporate Officer, Head of Industrial Equipment Business, Business Management Headquarters
July 2020	Director & Corporate Officer and Head of Industrial Equipment Business, in charge of technology development
January 2021	Director & Corporate Officer and Head of Sales Headquarters
June 2022	Representative Director & Executive Vice President and Head of Sales Headquarters, in charge of technology development
February 2023	Representative Director & Executive Vice President, in charge of sales and technology development
June 2023	President & CEO (incumbent)

[Reasons for the nomination]

Mr. Ikuo Oshiro is President & CEO of the Company and is thoroughly familiar with the technology and sales of the Company and has rich experience and excellent leadership in product development and business operation of non-automobile industries. Accordingly, we consider him to be appropriate as a candidate for Director to further promote the business development going forward and, thus, request his election.

Candidate No.

3

Masahiro Emura (November 14, 1970)

Re-election

Number of shares of the Company owned by Candidate

3,680 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1989	Joined the Company
April 2007	Manager of the Seal Production Section in the Ageo Plant of the Company
October 2008	Plant Manager of SIAM FUKOKU CO., LTD.
April 2009	Vice President of SIAM FUKOKU CO., LTD.
April 2014	Plant Manager of Seal Business in the Ageo Plant of the Company
April 2016	Plant Manager of Gunma No. 2 Plant of the Company
April 2021	Corporate Officer, Head of Functional Parts Business, Business Management Headquarters
April 2022	Corporate Officer, Head of Business Management Headquarters and Head of Functional Parts Business
June 2022	Director & Corporate Officer, Head of Business Management Headquarters, Head of Functional Parts Business, in charge of safety and quality
June 2023	Director & Corporate Officer, Head of Administration Headquarters, Head of Human Resources Planning Department, in charge of safety and quality and FAI/FMX (incumbent)

[Reasons for the nomination]

Mr. Masahiro Emura has rich experience in manufacturing, which is the root of our business, and leadership skills. In order for the Company to advance the reinforcement of its management foundation, including human resource development, in the future, we consider him to be appropriate as a candidate for Director and request his election.

Candidate No.

4

Ikjun Kwon (February 26, 1973)

New election

Number of shares of the Company owned by Candidate

0 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1996	Joined the Company, Overseas Sales Dept.
April 1999	Overseas & Domestic Sales Department, Hyundai Electronics Industries Corporation
January 2002	Enrolled in University Central Oklahoma
May 2005	Received an MBA from the university
May 2005	Joined the Company, and seconded to FUKOKU America, Inc.
February 2009	Director, Technical Sales Department, FUKOKU Korea Co., Ltd.
January 2015	President of FUKOKU Korea Co., Ltd.
March 2016	Co-representative President & CEO of FUKOKU Korea Co., Ltd.
December 2019	Sole Representative President & CEO of FUKOKU Korea Co., Ltd. (incumbent)
January 2020	Chairman of Qingdao FUKOKU Auto Fittings (incumbent)

[Reasons for the nomination]

Mr. Ikjun Kwon has extensive business experience and a global perspective through his global business experience in Korea, Japan, and the U.S., as well as managing subsidiaries of the Company in Korea and China. We consider him to be appropriate as a candidate for Director in order for the Company to further advance globalization and request his election.

Candidate No.

5

Robert H. Janson (June 14, 1949)

Outside | Re-election

Number of shares of the Company owned by Candidate

4,400 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1973	Representative in Japan of Continental Gumi Welke AG (current Continental AG)
August 1978	Joined Audi NSU Auto Union
January 1980	Transferred from Audi NSU Auto Union to Volkswagen
July 1980	Representative of Volkswagen Audi Japan
July 1983	Vice President & Representative Director of Volkswagen KK (current Volkswagen Group Japan KK)
July 1993	Representative of Tokyo Representative Office of Volkswagen Asia Pacific Inc.
January 1999	President & CEO of Janson & Associates, Inc. (incumbent)
January 2007	Director of FEV Japan Co., Ltd.
May 2017	Representative Director of FEV Japan Co., Ltd.
June 2021	Director (Outside) and Member of the Nomination and Remuneration Committee of the Company (incumbent)

[Reason for the nomination and the expected role]

Mr. Robert H. Janson has extensive knowledge on management, including that gained through his experience as serving as the representative of the Japanese entity of a leading European automobile manufacturer. Accordingly, we expect him to provide appropriate suggestions and advice as a Director (Outside) of the Company and consider him appropriate as a candidate for Director (Outside), and request his election. If Mr. Robert H. Janson is elected, the Company expects him to provide oversight, supervision and advice on the Company's management and business execution in an independent position as Outside Director based on his wealth of experience and knowledge on management, as well as continuing to be involved in personnel and remuneration decisions, among other things, for its officers and senior managers in an objective and neutral position as a member of the Nomination and Remuneration Committee.

Candidate No.

6

Hiroko Shimizu (March 8, 1957)

Outside | Re-election

Number of shares of the Company owned by Candidate

0 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1979	Joined Fujitsu Limited
April 2002	Personnel & General Affairs Service Center Manager
April 2002	President of Fujitsu Human Resources Professionals Limited
April 2007	Principal General Manager of Service Business Headquarters of Fujitsu Limited
May 2011	Chief Examiner of ISO/IEC JTC1 SC40/WG3 Committee
September 2013	Managing Corporate Officer of HR One Corporation
November 2015	Corporate Officer of Tokyo System Research Corp.
June 2021	Outside Director of Raito Kogyo Co., Ltd. (incumbent)
June 2022	Director (Outside) and Member of the Nomination and Remuneration Committee of the Company (incumbent)
September 2023	Outside Director of NIITAKA Co., Ltd. (incumbent)

[Reason for the nomination and the expected role]

Ms. Hiroko Shimizu has broad knowledge as an IT expert and extensive experience in working in human resources departments in addition to operational experience in many companies as well as having abundant experience and knowledge in business management through obtaining a master's degree in business administration and other roles. The Company expects her to provide appropriate suggestions and advice as an Outside Director. Accordingly, we consider her appropriate as a candidate for Director (Outside), and request her election. If Ms. Hiroko Shimizu is elected, the Company expects her to provide oversight, supervision and advice on the Company's management and business execution in an independent position as Outside Director based on her wealth of experience and knowledge on management, and for her to continue to be involved in personnel and remuneration decisions, among other things, for its officers and senior managers in an objective and neutral position as a member of the Nomination and Remuneration Committee.

Candidate No.

7

Yutaka Koizumi (May 27, 1956)

Outside | Re-election

Number of shares of the Company owned by Candidate

0 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1980	Joined Canon Inc.
April 2005	General Manager of the No. 1 Development Department of Inkjet Components of Canon Inc.
January 2010	General Manager of Inkjet Component Development Center of Canon Inc.
April 2016	Chief Engineer of Musashi Engineering, Inc. (incumbent)
June 2023	Director (Outside) and Member of the Nomination and Remuneration Committee of the Company (incumbent)

[Reason for the nomination and the expected role]

Mr. Yutaka Koizumi has extensive experience in technological development and business expansion and a wealth of knowledge as well as experience in business operations at other companies. Accordingly, we expect him to provide appropriate suggestions and advice as a Director (Outside) of the Company and consider him appropriate as a candidate for Director (Outside), and request his election.
If Mr. Yutaka Koizumi is elected, the Company expects him to provide oversight, supervision and advice on the Company's management and business execution in an independent position as Outside Director based on his wealth of experience in management and technological knowledge, and to continue to be involved in personnel and remuneration decisions, among other things, for its officers and senior managers in an objective and neutral position as a member of the Nomination and Remuneration Committee.

(Note)
1. There are no special conflicts of interest between any of the candidates and the Company.
2. Mr. Robert H. Janson, Ms. Hiroko Shimizu, and Mr. Yutaka Koizumi are the candidates for Outside Directors. The reasons for nominating them as Outside Directors are as described in the 'Reason for the nomination and the expected role' above.
3. Mr. Robert H. Janson, Ms. Hiroko Shimizu, and Mr. Yutaka Koizumi meet the requirements for Independent Director specified by the Tokyo Stock Exchange, Inc.
4. Mr. Robert H. Janson, Ms. Hiroko Shimizu, and Mr. Yutaka Koizumi are currently Outside Directors of the Company, and their terms in office will be three (3) years, two (2) years, and one (1) year, respectively, at the conclusion of this General Meeting of Shareholders.
5. If the proposal under this agenda item is approved as proposed, the Company plans to continue an agreement to limit liability under Article 423, Paragraph 1, of the Companies Act with Mr. Robert H. Janson, Ms. Hiroko Shimizu, and Mr. Yutaka Koizumi pursuant to the provisions of Article 427, Paragraph 1, of the said Act. The amount of liability under the said agreement shall be one hundred thousand (100,000) yen or the minimum amount provided for by the laws and regulations, whichever is higher.
6. The Company maintains a directors and officers liability insurance policy with an insurance company, and the candidates shall be included as insured under the relevant insurance policy. For the outline of the details of the directors and officers liability insurance policy, please refer to "2. Current Status of the Company, 4. Status of Directors and Officers of the Company, (4) Outline of Details of Directors and Officers Liability Insurance Policy" in the Business Report.

For your reference

1. Skills of executive Directors (if candidates for Directors are elected at this General Meeting of Shareholders)

Director	Title	Expertise and experiences that the Company expects from Directors							
		Business management	Sympathy with the passion and spirit of the company's founding	Diversity	Finance and human resources strategies	Legal and internal controls	Sales	R&D	Manufacturing and quality
Takashi Ogawa	Chairperson	●	●	●			●	●	●
Ikuo Oshiro	President & CEO	●	●	●			●	●	●
Masahiro Emura	Director & Corporate Officer	●	●	●	●	●			●
Ikjun Kwon	Director	●	●	●	●	●	●		

2. Skills of Outside Directors and Audit and Supervisory Committee Members (if candidates for Directors are elected at this General Meeting of Shareholders)

Director	Title	Expertise and experiences that the Company expects from Directors					
		Business management	Diversity	Finance and human resources strategies	Legal and internal controls	Statement of opinions concerning nomination, remuneration, etc. (Nomination and Remuneration Committee Members)	Reflection of opinions of stakeholders including shareholders
Robert H. Janson	Director (Outside) Independent Corporate Officer Member of the Nomination and Remuneration Committee	●	●	●		●	●
Hiroko Shimizu	Director (Outside) Independent Corporate Officer Member of the Nomination and Remuneration Committee	●	●	●		●	●
Yutaka Koizumi	Director (Outside) Independent Corporate Officer Member of the Nomination and Remuneration Committee	●	●	●		●	●
Takashi Kimura	Director (Audit and Supervisory Committee Member) Member of the Nomination and Remuneration Committee		●	●	●	●	●
Yasuhiro Fujiwara	Director (Audit and Supervisory Committee Member, Outside) Independent Corporate Officer Member of the Nomination and Remuneration Committee		●	●	●	●	●
Yoshifumi Akazawa	Director (Audit and Supervisory Committee Member, Outside) Independent Corporate Officer Member of the Nomination and Remuneration Committee		●	●	●	●	●

Agenda No. 2 Election of One (1) Director who is Substitute Audit and Supervisory Committee Member

The term of Ms. Hiroko Shimizu, who was elected as a Director who is a substitute Audit and Supervisory Committee Member at the 69th Ordinary General Meeting of Shareholders held on June 28, 2022, shall expire at the beginning of this Ordinary General Meeting of Shareholders. Accordingly, in order to prepare for the case where the number of Directors who are Audit and Supervisory Committee Members falls below the number stipulated by laws and regulations, we request the election of one (1) Director who is a substitute Audit and Supervisory Committee Member once again. Please note that the election may be made invalid by a resolution of the Board of Directors of the Company, provided the person elected has not assumed office.

In addition, the details of the proposal under this agenda item have been consented to by the Audit and Supervisory Committee and approved by the Board of Directors after receiving a report from the Nomination and Remuneration Committee, a consulting body to the Board of Directors, the majority of which are comprised of independent Outside Directors. The candidate for Director who is a substitute Audit and Supervisory Committee Member is as follows.

Hiroko Shimizu (March 8, 1957) Outside

Number of shares of the Company owned by Candidate
0 shares

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1979	Joined Fujitsu Limited
April 2002	Personnel & General Affairs Service Center Manager
April 2002	President of Fujitsu Human Resources Professionals Limited
April 2007	Principal General Manager of Service Business Headquarters of Fujitsu Limited
May 2011	Chief Examiner of ISO/IEC JTC1 SC40/WG3 Committee
September 2013	Managing Corporate Officer of HR One Corporation
November 2015	Corporate Officer of Tokyo System Research Corp.
June 2021	Outside Director of Raito Kogyo Co., Ltd. (incumbent)
June 2022	Director (Part-time/Outside) and Member of the Nomination and Remuneration Committee of the Company (incumbent)
September 2023	Outside Director of NIITAKA Co., Ltd. (incumbent)

[Reason for the nomination and the expected role]

Ms. Hiroko Shimizu has broad knowledge as an IT expert and extensive experience in working in human resources departments in addition to operational experience in many companies, as well as having abundant experience and knowledge in business management through obtaining a master's degree in business administration and other roles. The Company expects her to use her knowledge for the audit system of the Company if she is elected as a Director who is an Audit and Supervisory Committee Member, and considers her appropriate as a candidate for a substitute Director who is an Audit and Supervisory Committee Member (Outside Director), and request her election.
If Ms. Hiroko Shimizu is elected, the Company expects her to provide oversight, supervision and advice on the Company's management and business execution in an independent position as Outside Director based on her wealth of experience and knowledge on management, and for her to continue to be involved in personnel and remuneration decisions, among other things, for its officers and senior managers in an objective and neutral position as a member of the Nomination and Remuneration Committee.

(Note)
1. There are no special conflicts of interest between the candidate and the Company.
2. We request Ms. Hiroko Shimizu, the candidate for a Director who is a substitute Audit and Supervisory Committee Member, to be elected as a substitute Outside Director.
3. Ms. Hiroko Shimizu meets the requirements of independent Executive Officer specified by the Tokyo Stock Exchange, Inc.
4. Ms. Hiroko Shimizu is currently an Outside Director of the Company, and her term of office will be two (2) years at the conclusion of this General Meeting of Shareholders.
5. If Agenda No. 1 "Election of Seven (7) Directors (Excluding Directors who are Audit and Supervisory Committee

Members)" is approved as proposed, Ms. Hiroko Shimizu will assume office as Director who is not an Audit and Supervisory Committee Member. However, in the case where the number of Directors who are Audit & Supervisory Committee Members falls below the number stipulated by laws and regulations, Ms. Hiroko Shimizu will resign as a Director who is not an Audit & Supervisory Committee Member and assume office as a Director who is an Audit & Supervisory Committee Member.

6. If Ms. Hiroko Shimizu is elected as a Director who is an Audit and Supervisory Committee Member, the Company plans to continue an agreement to limit liability under Article 423, Paragraph 1, of the Companies Act with Ms. Hiroko Shimizu pursuant to the provisions of Article 427, Paragraph 1, of the said Act. The amount of liability under the said agreement shall be one hundred thousand (100,000) yen or the minimum amount provided for by the laws and regulations, whichever is higher.
7. The Company maintains a directors and officers liability insurance policy with an insurance company, and the candidate shall be included as insured under the relevant insurance policy. For the outline of the details of the directors and officers liability insurance policy, please refer to "2. Current Status of the Company, 4. Status of Directors and Officers of the Company, (4) Outline of Details of Directors and Officers Liability Insurance Policy" in the Business Report.

Agenda No. 3 Countermeasures to Large-Scale Acquisitions of the Company's Shares, etc. (a takeover response policy)

At the 70th Ordinary General Meeting of Shareholders held on June 28, 2023, the Company's shareholders approved the continuation of countermeasures to large-scale acquisitions of the Company's shares, etc. (hereinafter referred to as the "Current Plan"). However, the validity period of this plan is until the conclusion of this Ordinary General Meeting of Shareholders.

From the perspective of securing and enhancing corporate value and the common interests of shareholders, the Company has continuously reviewed the appropriateness of these measures, including whether to continue them. At the Board of Directors meeting held on May 21, 2024, the Company decided to propose to this Ordinary General Meeting of Shareholders a revised version of the Current Plan as measures to address large-scale acquisitions of the Company's shares (a takeover response policy) (hereinafter referred to as "the Plan").

Please note that, as of now, there are no proposals involving large-scale acquisitions of the Company's shares.

1. Basic policy

(1) Contents of the basic policy

As an entity listed on a financial instruments exchange, the Company respects the free trading of the Company's shares on the market and will not categorically deny any proposals of the large-scale acquisition of the Company's shares, etc. by a certain party, as long as it contributes to ensuring and enhancing the Group's corporate value and, in turn, the common interests of its shareholders. The Company also believes that any decision on whether or not to accept a proposal for the large-scale acquisition of shares, etc. should ultimately be entrusted to the decision of the shareholders.

However, among proposals for the large-scale acquisition of shares, etc., there are a number of cases that do not contribute to the corporate value and the common interests of shareholders of the target company, such as one that can damage corporate value, and, in turn, the common interests of shareholders from the perspective of the purpose of acquisition, a post-acquisition management policy and others, one that can effectively force shareholders to sell their holdings and one that does not provide sufficient information for shareholders to make a final decision.

The Company thinks that unless a party who controls the Company's finances and business policies understands the Company's finances, the contents of its business and the source of its corporate value and enhances them in the medium to long run, the Company's corporate value and in turn, the common interests of its shareholders will be eventually damaged.

The Company considers a party who implement a large-scale acquisition, etc. that can damage the Company's corporate value and the common interests of its shareholders, as mentioned above, to be unfit as the party who controls decisions on the Company's finances and business policies, and the Company finds it necessary to ensure the Company's corporate value and the common interests of its shareholders through taking necessary and appropriate countermeasures to the proposal for large-scale acquisition, etc. by the party.

(2) Special measures that realize the basic policy

The Company has taken the following measures with the aim of ensuring that shareholders and investors continue investing in the Company in the medium to long term through realizing its corporate value and, in turn, the common interests of its shareholders.

The Company regards these measures as the ones that are well appreciated by all its stakeholders from shareholders and investors to customers, business partners, employees and local communities, which contribute to maximizing shareholder value and help promote the basic policy in (1) above.

[1] Measure for enhancing corporate value

(i) Measure based on the medium-term management plan

Under the Company's medium-term management plan, the final year of which was fiscal 2023, we worked to strengthen our corporate structure by seeking to lower costs. Although our corporate structure was strengthened under the medium-term management plan, profits fell short of the plan. Therefore, in June 2023, the Company announced the New Medium-Term Management Plan 2026 (the final year of which will be fiscal 2026) that aims to further improve profitability. With the aim of maximizing profitability under the new medium-term management plan, we will work on a group-wide basis to pursue business endeavors to achieve our management goals.

[Management goals]

	Fiscal 2023 actual; each number in brackets denotes a medium-term plan target	Fiscal 2026 (the target for the final year of the new medium-term plan)
Net sales (consolidated)	(80.0 billion yen) 88.8 billion yen	120.0 billion yen
Operating profit margin	(6.8%) 4.1%	8%
ROE	(8.0%) 8.1%	12%

<Strategic scheme>

[Balancing business strategies]

* Enhancing the existing businesses

  Grow sales through the solutions businesses and to high-growth regions, manufacturing-ability innovations and enhancing human resources development

* Grow growth businesses and new businesses

  Grow industrial and other products, expand into the CASE market, and grow life science products

[Reform the management platform focused on ESG]

(ii) Dividends and shareholder return (The basic policy for dividend programs)

The Company positions the return of profits to its shareholders as one of the key management issues, and set it as the basic policy to maintain stable payment of dividends and simultaneously, return profits to shareholders in accordance with financial results while paying attention to retained earnings, etc. with future

business development and the characteristics of business in mind. Regarding the dividend amount, the Company will determine the amount of dividends using a consolidated payout ratio of 30% as a guide and with an annual dividend of 20 yen per share (10 yen per share each for interim and year-end dividends) as the minimum level.

[2] Measure for reinforcing corporate governance

For advancing the above measures, the Company is striving to further reinforce corporate governance.

The Company has chosen a company with audit and supervisory committee as an institutional design to give voting rights to Audit and Supervisory Committee members at Board of Directors meetings and in parallel, has appointed Outside Directors to fill a minimum of one-third of the Board of Directors, thereby further strengthening the function to monitor and supervise corporate management. Additionally, to enhance transparency in the process of appointing management executives and determining director remuneration and others, the Company has installed a voluntary "Nomination and Remuneration Committee" as the consultative body to the Board of Directors to deliberate on matters concerning appointments and compensation. In addition, the Company put in place an executive officer system for the purpose of conducting operations promptly and appropriately. In order to speed up the business execution function through delegation of authority and to share information at the management level, the Company regularly held meetings (executive board meetings) attended by senior management including directors and deliberated on important matters related to business operations.

The Company is also making efforts to enhance transparency in corporate management and clarify the responsibility of the management through disclosing information equally to not only all shareholders and investors but also all stakeholders.

[3] Provision of safe and high-quality products

As a corporation that supports customers in solving their issues and manufacturing, the Company considers it as its mission to provide safe and high-quality products and services globally in continuous and stable manners and is strengthening a system that fulfills the mission.

2. Purpose of introduction of the Plan and the need for continuation

The Board of Directors of the Company determined to continue the Plan for the purpose of clarifying rules that a party who attempts a large-scale acquisition of the Company's shares, etc. should comply with; securing sufficient information and time for shareholders and investors to make appropriate judgements, and ensuring opportunities to negotiate with the party attempting a large-scale acquisition, etc.

As mentioned below, the Plan is to formulate rules that a party who attempts a large-scale acquisition of the Company's shares, etc. should comply with, to explain that the Company may take countermeasures under certain circumstances, which can cause damage to the party attempting a large-scale acquisition, etc. and by disclosing the above appropriately, to warn the party attempting a large-scale acquisition of the Company's shares that will not contribute to the Company's corporate value and the common interests of its shareholders.

The shareholder composition of the Company has trended relatively stable, as mentioned later. However, the Company believes that in the case in which acquirers carry out a large-scale acquisition of shares, etc. to a certain extent that can be judged to have influence on the Company (20% or more), the importance of securing information and time necessary for shareholders and negotiating with the acquirers will not change compared to other companies at all.

The status of our company's major shareholders and the status of shareholding by its directors as of March 31, 2024, is as shown in Attachment 4 “Status of our company's major shareholders and shareholding by our directors.” Shares held by the founding family (including shares held in name of asset management companies) and the Company's directors together amounted to 30.7% of the total. However, the voting rights of shares of the Company held by the founding family and Directors of the Company are exercised based on their own judgment. In addition, the separation of ownership and management progressed, leaving the Board of Directors with no founding family member or relative, which indicated an increased likelihood that shareholding diversification will progress due to a transfer, inheritance or other kind of disposition as a result of circumstances caused by future generation change. In fact, as of the end of the fiscal year, the shareholding ratio of the founding family of our company decreased 3.7% compared to the previous fiscal year. Moreover, there is a growing possibility that the composition of our company's shareholders will change in the future owing to potential fundraising through an issuance of shares.

Also, in the Plan, the implementation of countermeasures, etc. is subject to Regulations for Independent Committee (for the overview, please refer to Attachment 1) in order to defy the arbitrary judgement of the Board of Directors of the Company, thereby going through the judgment of the Independent Committee, which is made up of only those who are independent from the management of the Company that execute business: Outside Directors of the Company or outside experts (experienced corporate managers, former government officials, lawyers, certified public accountants or academic experts or those equivalent to the above. Hereinafter, the same shall apply.) Simultaneously, information shall be disclosed to shareholders and investors in a timely manner to ensure transparency. The five people described in Attachment 2 “Career brief of Members of Independent Committee” are scheduled to assume the position of the committee members of the Independent Committee at the time of the continuation of the Plan.

Please note that the Company has not currently received any proposal for the large-scale acquisition of the Company’s shares, etc.

3. Contents of the Plan (Measure for preventing an inappropriate party in light of the basic policy from controlling decisions on policies of the finances and business of the Company)

(1) Procedures for the Plan

[1] Large-scale acquisition, etc. subject to the Plan

The Plan applies to any large purchase of our company’s shares that falls under any of items (i) through (iii) below, or to any similar act (excluding a large purchase approved by the Board of Directors of the Company; and such aforementioned act is hereinafter referred to as “acquisition, etc.”). A party who carries out or attempts to carry out acquisition, etc. (hereinafter, referred to as “acquirer, etc.”) shall follow the procedures set forth beforehand in the Plan.

(i) An acquisition in which the ownership ratio of the holder exceeds 20% concerning shares, etc. of which the Company is the issuer.

(ii) A public tender offer in which a total of the ownership ratio of shares, etc. related to the public tender offer and that of the specially-related parties exceeds 20% concerning shares, etc. of which the Company is the issuer.

(iii) Regardless of whether any of the acts described in item (i) or (ii) above occur, the plan applies to any act that: [1] is to be conducted between a person intending to acquire shares of the Company, or a joint holder or special interested person ("Share Acquirer" in item (iii)) and any of other shareholders of our company (including multiple shareholders; the same shall apply hereinafter in item (iii)), and that is a consent or other act that leads the other shareholders to fall under joint holders for the said share acquirer as a result of the act, or that establishes a relationship in which either the share acquirer or any of the other shareholders controls the other party in effect or they act jointly or in collaboration with each other;10 and [2] causes the combined total shareholding of the share acquirer and the other shareholders comes to at least 20% of the total number of shares issued by the Company.

[2] Prior submission of tender offer statement to the Company

An acquirer, etc. are required to submit to the Board of Directors of the Company documents that describe a pledge, etc. that the acquirer, etc. will comply with the procedure set forth in the Plan in conducting acquisition, etc. in a written format specified by the Company in the Japanese language (hereinafter referred to as a "tender offer statement") prior to the commencement of acquisition, etc. This shall not apply to cases which the Board of Directors of the Company approves separately. In the case of receiving a tender offer statement, the Board of Directors of the Company shall provide it to the Independent Committee promptly.

Specifically, a tender offer statement needs to include the following matters.

(i) Overview of the acquirer, etc.

(a) The name or company name and the address or location

(b) The title and name of the representative

(c) Purpose of the company, etc. and the line of business

(d) Overview of large shareholders or major investors (the top ten persons in shareholding or the capital contribution ratio)

(e) Domestic contact information

(f) Governing law of incorporation

(ii) The number of the Company's shares, etc. currently held by the acquirer, etc. and the situation of trading the Company's shares, etc. of the acquirer, etc. for 60 days prior to the submission of a tender offer statement

(iii) Overview of acquisition, etc. proposed by the acquirer, etc. (including the class and number of the Company's shares, etc. that the acquirer, etc. plan to obtain through acquisition, etc. and the purpose of acquisition, etc. (acquisition of the right to control or participation in corporate management, pure investment or strategic investment, or transfers, etc. of the Company's shares, etc. to a third party after the acquisition, etc. In the case in which there are other purposes, such as acts of making important proposals, etc.,11 the intent and the contents are required. In the case in which there are multiple purposes, it is required to describe

all of them.))

[3] Provision of the necessary information

In the case in which a tender offer statement in [2] above was submitted, the acquirer, etc. are requested to take the following steps and submit to the Board of Directors of the Company documents in the Japanese language that describe information that is necessary and sufficient for shareholders and investors to make judgments on acquisition, etc. and for the Board of Directors of the Company and the Independent Committee to make evaluation, examination, etc. (hereinafter, referred to as "the necessary information").

Firstly, the Company will send to the acquirer, etc., at the domestic address in 2), (i) and (e), a list of information that describes information to be initially provided, within 10 business days12 from the date of submission of the tender offer statement (excluding the first day). The acquirer, etc. are requested to submit sufficient information to the Board of Directors of the Company following the list of information.

However, in the case in which the Board of Directors of the Company or the Independent Committee reasonably judges the information, submitted by the acquirer, etc. following the list of information, insufficient for shareholders and investors to make judgments and for the Board of Directors of the Company and the Independent Committee to make evaluation, examination, etc. in light of the contents of acquisition, etc., their presentation, etc., the Company may set a deadline for a reply as necessary and ask the acquirer, etc. for additional submission of the necessary information through the Board of Directors of the Company or the Independent Committee. In this case, the acquirer, etc. are requested to submit such information additionally by the deadline.

In the case in which the Board of Directors of the Company concludes that all of the necessary information for evaluation, examination, etc. of acquisition, etc. has been provided by the acquirer, etc., the Board of Directors of the Company will inform the acquirer, etc. of the conclusion (hereinafter referred to as a "notice of completion of provision of information") and disclose the conclusion promptly.

The information related to the items below is included in part of the list of information in principle, regardless of the contents of acquisition, etc., their presentation, etc.

(i) Details of the acquirer, etc. and their group (in the case of a joint holder, a specially-related party and a fund, each of the associates and other members is included) (including the history, specific name, capital composition, line of business, financial details and the names, career briefs, etc. of the directors)

(ii) The purpose of acquisition, etc. (details of the purpose disclosed in the tender offer statement), the method and the contents (including the intention or no intention to take part in corporate management, the kind and amount of the consideration of acquisition, etc., the timing of acquisition, etc., the mechanism of related transactions, the number of shares of the planned acquisition and the shareholding ratio after the acquisition, etc., the legality of the method of acquisition, etc. and the feasibility to implement acquisition, etc.)

(iii) The grounds for calculating the price of acquisition, etc. (including the factual premise for calculation, the calculation method, numerical information used for the calculation and the contents of expected synergies from a series of transactions related to acquisition, etc., the name of a third party in the case of seeking

opinions from the third party at the time of the calculation, the overview of the opinions and the course of events to reach the decision on the price based on the relevant opinions)

(iv) Evidence of the fund for acquisition, etc. (including the specific names of providers of the fund (including substantial providers), financing methods, and the contents of related transactions)

(v) Existence or non-existence of communication of intention with a third party about acquisition, etc. In the case of the existence, the contents and the overview of the third party

(vi) In the case in which there are a lease contract, collateral contract, buyback contract, booking for purchase and sale, or other important contracts or arrangements concerning the Company's shares, etc. already held by the acquirer, etc. (hereinafter referred to as "collateral contract, etc."), specific contents of the relevant collateral contract, etc., such as the kind of the contract, the other party of the contract and the number, etc. of shares, etc. that are the object of the contracts

(vii) In the case in which there is a plan to conclude a collateral contract, etc., or other agreements with the third party concerning the Company's shares, etc. that the acquirer, etc. plan to obtain through acquisition, etc., the specific contents of the relevant agreement, such as the kind of the planned agreement, the other party of the contract and the number, etc. of shares, etc. that are the object of the contracts

(viii) Management policy, business plan, capital policy and dividend policy of the Company and the Group after acquisition, etc.

(ix) Policy for treatment of the Company's employees, labor union, business partners, customers, local communities and other stakeholders concerned with the Company after acquisition, etc.

(x) Specific measures for avoiding conflicts of interests with other shareholders of the Company

(xi) Other information that the Independent Committee reasonably judges necessary

The Board of Directors of the Company will disclose the fact that a proposal for acquisition, etc. was made by an acquirer, etc. promptly, and will disclose information deemed necessary for shareholders and investors to make judgments out of the overview of the proposal and of the necessary information and other information, as necessary

[4] Examination of the contents of acquisition, etc., negotiation with an acquirer, etc. and consideration of alternative plans

(i) The Independent Committee's demand for provision of information to the Board of Directors of the Company

When a tender offer statement and the necessary information, requested additionally by the Board of Directors of the Company or the Independent Committee, (if any) are submitted by the acquirer, etc., the Independent Committee may also ask the Board of Directors of the Company to promptly present its opinion on the contents of the acquisition, etc. within a reasonable period that the Independent Committee will specify (however, the period shall not exceed 30 days) (including the opinion to withhold an opinion. Hereinafter, this shall apply), materials for the grounds for the opinion, alternative plans (if any) and other information, materials, etc. that the Independent Committee finds necessary from time to time. The purpose of the request from the Independent Committee is to compare and examine the contents of the tender offer statement and the necessary information additionally provided, etc. with the business plan, etc. of the Board of Directors of the Company from the viewpoint of ensuring and enhancing the Company's corporate value and the common

interests of its shareholders.

(ii) Examination by the Independent Committee

After making a notice of completion of provision of information, the Board of Directors of the Company and the Independent Committee will set an examination period that does not exceed 60 days from the day following the date of the notice in the case of acquisition, etc. of all of the Company's shares, etc. through a public tender offer with the consideration as cash in Japanese yen only, or that does not exceed 90 days in other acquisitions, etc. (hereinafter, referred to as "the Independent Committee examination period") and disclose it promptly.

However, the Independent Committee examination period may be extended (provided, however, that does not exceed 30 days) only in the case in which the Independent Committee recognizes that there is a reasonably necessary reason. In that case, the Company will inform the acquirer, etc. of the extended period and specific reasons that the extended period is necessary and will disclose the information to shareholders and investors.

Based on the information, materials, etc., provided by the acquirer, etc. and the Board of Directors of the Company, the Independent Committee will examine the contents of the acquisition, etc. and alternative plans by the Board of Directors of the Company and conduct collection, comparison, examination, etc. of information of business plans from the acquirer, etc. and the Board of Directors of the Company from the viewpoint of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, within the Independent Committee examination period. Also, the Independent Committee itself or through the Board of Directors of the Company will discuss and negotiate with the relevant acquirer, etc., in order to improve the contents of the relevant acquisition, etc. from the viewpoint of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, if necessary. Additionally, the Independent Committee will present the Company's alternative plan to shareholders.

In the case in which the Independent Committee seeks provision of materials and other information for examination, discussion, negotiations, etc. through the Board of Directors of the Company within the Independent Committee examination period, the acquirer, etc. must comply with the request promptly.

In order to ensure that the judgment of the Independent Committee contributes to ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders, the Independent Committee may seek advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense.

[5] Method for judgment in Independent Committee

The Independent Committee will make a recommendation to the Board of Directors of the Company pursuant to the following procedure in the case in which an acquirer, etc. emerge. In the case in which the Independent Committee makes the recommendation, set forth in (i) and (ii) below, to the Board of Directors of the Company, or in other cases in which the Independent Committee considers appropriate, the Independent Committee will disclose information on the fact of the relevant recommendation, its overview and matters that the Independent Committee judges appropriate, by itself or via the Board of Directors of the Company promptly.

(i) In the case in which the acquirer, etc. do not comply with the procedure specified in the Plan

The Independent Committee will recommend the Board of Directors of the Company to implement

countermeasures in the case in which an acquirer, etc. do not comply with the procedure specified in the Plan.

(ii) In the case in which the acquirer, etc. comply with the procedure specified in the Plan

The Independent Committee will recommend the Board of Directors of the Company in principle not to implement countermeasures in the case in which the acquirer, etc. comply with the procedure specified in the Plan.

However, even in the case in which the procedure specified in the Plan is being complied with, the Independent Committee may recommend the implementation of countermeasures as an exceptional measure if it is recognized that the relevant acquisition, etc. will damage the Company's corporate value and the common interests of its shareholders significantly, and the implementation of countermeasures is judged reasonable, due to the reasons listed from (i) to (v) below.

(a) The case in which it is judged that the acquirer, etc. are a party who is acquiring or try to acquire the Company's shares, etc. for the purpose of simply making the share price rise and getting the Company or people concerned with the Company to buy the Company's shares, etc. at a high price (the so-called green mailer) although the acquirer, etc. have no genuine intention to take part in corporate management.

(b) The case in which it is judged that the acquirer, etc. are acquiring the Company's shares, etc. for the purpose of controlling the corporate management of the Company temporarily and transferring intellectual property rights, know-how, corporate confidential information and the assets of the Company or the Group companies, such as major business partners or customers, which are necessary for the business management of the Company and the Group companies, to the relevant acquirer, etc., their group companies or others.

(c) The case in which it is judged that the acquirer, etc. are acquiring the Company's shares, etc. for the purpose of reusing the assets of the Company and the Group companies as collateral or repayment fund of the debt of the relevant acquirer, etc., their group companies, or others after gaining control of the corporate management of the Company.

(d) The case in which it can be judged that the acquirer, etc. are acquiring the Company's shares, etc. for the purpose of controlling the corporate management of the Company temporarily and distributing high amounts of dividends temporarily with gains from the disposal of expensive assets that are not engaged in the business of the Company or the Group companies for the time being, such as real estate and securities, through sale, etc., or selling the Company's shares, etc. at a high price to obtain capital gains by taking advantage of a surge in the share price resulting from temporarily high dividends.

(e) The case in which it is judged that the acquisition method of the Company's shares, etc., proposed by the acquirer, etc., is the one that may actually force the selling of the Company's shares, etc. upon the Company's shareholders by restricting the opportunity or freedom of judgment, such as the so-called oppressive two-tier purchase (the acquisition, etc. of shares, etc., such as a public tender offer, in which the acquisition of all the shares is not induced in the first stage of acquisition, and acquisition conditions in the second stage of acquisition are set unfavorably, or not stated clearly).

Additionally, the Independent Committee may request the Board of Directors of the Company to seek a prior approval of the shareholders concerning the implementation of countermeasures.

[6] Resolution of the Board of Directors and convocation of a General Meeting of Shareholders to confirm

the shareholders' intent of the Company

The Board of Directors of the Company shall respect the recommendation of the Independent Committee, set forth in [5] above, to the maximum extent, and based on the relevant recommendation, resolve whether or not to implement countermeasures promptly from the viewpoint of ensuring and enhancing the Company's corporate value and the common interests of its shareholders.

In the case in which the Independent Committee requests the Board of Directors of the Company to seek a prior approval of the shareholders in making the recommendation to implement countermeasures, the Board of Directors of the Company will convene a General Meeting of Shareholders to confirm the shareholders' intent (hereinafter referred to as the "General meeting of shareholders to confirm the shareholders' intent") as soon as practically possible and put the proposal for implementation of countermeasures in the meeting except the case that it is extremely difficult to hold it in practice. Additionally, General meeting of shareholders to confirm the shareholders' intent may be held in conjunction with the ordinary general meeting of shareholders or an extraordinary general meeting of shareholders.

In the case that the Board of Directors of the Company decides to convene the General meeting of shareholders to confirm the shareholders' intent, the Independent Committee examination period will expire in that moment. In the case in which the proposal for implementation of countermeasures is approved at the relevant General meeting of shareholders to confirm the shareholders' intent, the Board of Directors of the Company shall follow the decision at the General meeting of shareholders to confirm the shareholders' intent, make a resolution concerning implementation of countermeasures and take the necessary procedures. On the other hand, in the case that the proposal for implementing countermeasures is denied at the General meeting of shareholders to confirm the shareholders' intent, the Board of Directors of the Company will not implement countermeasures. A resolution at the General meeting of shareholders to confirm the shareholders' intent shall be passed by a majority of the voting rights of shareholders with voting rights present at the meeting.

In the case in which the above resolution is passed, the Board of Directors of the Company will disclose information on the overview of the relevant resolution and other matters that the Board of Directors of the Company judges appropriate promptly regardless of whether or not the content is to implement countermeasures.

[7] Cancellation of countermeasures or suspension of implementation

In the case in which even after the Board of Directors of the Company resolves to implement countermeasures or implements them in accordance with the procedure in [6] above, (i) the acquirer, etc. suspend acquisition, etc. or (ii) the facts that the premise for the judgment of whether or not to implement countermeasures change and the situation reaches the point that implementation of countermeasures is not regarded as reasonable from the viewpoint of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, the Board of Directors of the Company shall resolve to cancel countermeasures or suspend the implementation.

In the case in which the above resolution is passed, the Board of Directors of the Company will disclose information on the overview of the relevant resolution and other matters that the Board of Directors of the Company judges appropriate promptly.

[8] Commencement of acquisition, etc.

An acquirer, etc. shall comply with the procedure set forth in the Plan and cannot commence acquisition, etc. until the Board of Directors of the Company resolves whether or not to implement countermeasures.

(2) Overview of gratis allotment of the stock acquisition rights

The countermeasure that the Board of Directors of the Company may implement upon the resolution mentioned in (1) [6] above shall be the gratis allotment of stock acquisition rights (hereinafter, referred to as "the stock acquisition rights").

The overview of the gratis allotment of the stock acquisition rights is as per the description in Attachment 3 "Summary of Gratis Allotment of Stock Acquisition Rights."

The Board of Directors of the Company may cancel or suspend the countermeasure as mentioned in (1) [7] above even after the resolution for implementation is passed or the countermeasure is implemented. For instance, in the case in which the Board of Directors of the Company resolves the gratis allotment of the stock acquisition rights as the countermeasure, if an acquirer, etc. suspend acquisition, etc. then the Board of Directors of the Company makes the resolution mentioned in (1) [7] above, the gratis allotment of the stock acquisition rights can be suspended before the day preceding the ex-dividend date related to the record date set for the gratis allotment of the stock acquisition rights. After the effective date of the gratis allotment of the stock acquisition rights, the Company may suspend the implementation of the countermeasure in such a way as to acquire the stock acquisition rights without contribution before the day preceding the commencement date of the exercise period of the stock acquisition rights.

(3) Effective period, abolishment and change of the Plan

The effective period of the Plan shall be from the moment of approval, if granted by the shareholders at the Ordinary General Meeting of Shareholders, to the conclusion of an Ordinary General Meeting of Shareholders scheduled for June 2025.

However, even before the expiration of the effective period, if a resolution to the effect that the Plan is changed or abolished is passed at a General Meeting of Shareholders of the Company, the Plan shall be changed or abolished in that moment pursuant to the relevant resolution. In addition, in the case in which the Board of Directors of the Company passes a resolution to the effect that the Plan is abolished, the Plan shall be abolished in that moment.

In the case of judging formal revision necessary accompanying change to the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations, or change to rules of the financial instruments exchange, or change to these interpretation and operation, or change to the tax regime, court cases, etc., the Board of Directors of the Company may revise or change the Plan as needed with approval from the Independent Committee. On the other hand, in the case in which the Board of Directors of the Company or the Independent Committee makes a change to the contents of the Plan that may have substantial influence on shareholders of the Company, a new proposal for the change shall be put for approval of shareholders to a General Meeting of Shareholders to be held nearest to the change.

In the case in which the Plan is abolished or a change to the contents of the Plan is made in such a way as

to substantially influence shareholders of the Company, the Company will promptly disclose the fact of the relevant abolishment or change and the contents of the change (in the case of change) and other matters that the Board of Directors of the Company or the Independent Committee regards as appropriate.

4. Reasonableness of the Plan

(1) To fulfill all of the requirements in the guidelines on takeover defense measures (takeover response policies)

The Plan satisfies the three principles (Principle of protecting and enhancing corporate value and shareholders' common interests, Principle of prior disclosure and shareholders' will and Principle of ensuring the necessity and reasonableness of defensive measures), set forth in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests," jointly announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 and at the same time, is established in reference to "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group on June 30, 2008, and "Guidelines for Corporate Takeovers - Enhancing Corporate Value and Securing Shareholders' Interests -" published by the Ministry of Economy, Trade and Industry on August 31, 2023.

(2) To be continued for the purposes of ensuring and enhancing corporate value and the common interests of shareholders

In the case in which acquisition, etc. are carried out, the Plan is intended to secure the time and period necessary for shareholders to judge whether or not to accept the acquisition, etc. or for the Board of Directors of the Company to present an alternative plan and negotiate with the acquirer, etc. among others on behalf of shareholders, whereby the Plan will be continued for the purposes of ensuring and enhancing corporate value and, in turn, the common interests of shareholders.

(3) One that places importance on shareholders' intent

In the Plan, its continuation is subject to the approval of shareholders at the Ordinary General Meeting of Shareholders.

Also, as mentioned in 3. (1) [6] above, the Board of Directors of the Company shall confirm shareholders' intent on the implementation of countermeasures by the Plan at a General Meeting of Shareholders of the Company in certain cases.

Moreover, as mentioned in 3. (3) above, in the case in which a resolution to change or abolish the Plan is passed at a General Meeting of Shareholders of the Company held after approval of the continuation of the Plan, the Plan shall be changed or abolished pursuant to the relevant resolution. Accordingly, the continuation, change and abolishment of the Plan is designed to reflect shareholders' intent in full.

(4) Importance placed on judgment of outsiders with high levels of independence and information disclosure

The Company has set the Independent Committee as the body that defies the arbitrary judgment of the

Board of Directors of the Company and makes a substantial judgement upon operation of the Plan, including its implementation, on behalf of shareholders, and the Board of Directors of the Company will respect the recommendation of the Independent Committee to the maximum extent upon the implementation or non-implementation of countermeasures.

The Independent Committee is comprised of a minimum of three (3) members to be elected from Outside Directors of the Company or outside experts who are independent from the management that executes the business of the Company.

In addition, the overview of the judgment of the Independent Committee will be disclosed to shareholders and investors as needed, and the Company ensures a mechanism that enables the Plan to be operated with transparency within the scope of ensuring and enhancing the Company's corporate value and the common interests of its shareholders.

(5) Setting of reasonable and objective requirements for implementation

The Plan, as mentioned in 3. (1) above, is set not to be implemented until predetermined reasonable and objective requirements for the implementation are fulfilled and includes a mechanism that prevents the Board of Directors of the Company from implementing the Plan arbitrarily.

(6) Enlistment of opinions from third-party experts

As mentioned in 3. (1) [4] above, in the case in which an acquirer, etc. emerge, the Independent Committee may seek advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense, whereby the fairness and objectivity of the judgment of the Independent Committee can be ensured sufficiently.

(7) Not being a dead-hand or slow-hand takeover response policies

As mentioned in 3. (3) above, the Plan is designed to be abolished anytime by the Board of Directors of the Company. Therefore, the Plan is not a dead-hand takeover response policies (a takeover response policies in which even if a majority of the members of the board of directors are replaced, the implementation of response policies cannot be stopped).

Moreover, the term of the Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) is one year, and classified term limits are not employed to Directors who are Audit and Supervisory Committee Members, whose term is two years. Therefore, the Plan is not a slow-hand takeover response policies (a takeover response policies in which the implementation takes more time to stop due to the fact that all members of the board of directors cannot be replaced at once).

5. Influence, etc. on shareholders and investors

(1) Influence on shareholders and investors upon the continuation of the Plan

The stock acquisition rights will not be issued at the time of the continuation of the Plan. Accordingly, the Plan will not give direct and specific influence on legal rights and economic interests that shareholders hold concerning the Company's shares at the time of the continuation of the Plan.

As mentioned in 3. (1) above, the Company's policy for countermeasures against acquisition, etc. will vary depending on whether or not an acquirer, etc. comply with the Plan. Therefore, the Company would ask shareholders and investors to watch the move of the acquirer, etc.

(2) Influence on shareholders and investors at the time of the gratis allotment of the stock acquisition rights

In the case in which the Board of Directors of the Company decides to implement the countermeasure and implements the gratis allotment of the stock acquisition rights, the stock acquisition rights will be allotted without contribution to shareholders recorded in the shareholder register on the allotment date that will be set separately, at a rate of up to one share acquisition right per share held by the shareholders. Due to that mechanism, even at the time of the gratis allotment of the stock acquisition rights, the per-share value of shares of the Company, held by shareholders, will be diluted, but the value of aggravated shares of the Company, held by shareholders, will not be diluted. Accordingly, the Company does not assume that there will be direct and specific influence on the legal rights and economic interests that shareholders hold concerning the Company's shares.

However, for an acquirer, etc., the implementation of this countermeasure may end up causing any influence on their legal rights and economic interests.

Even in the case in which the Board of Directors of the Company resolves to implement the gratis allotment of the stock acquisition rights, the price of the Company's shares can fluctuate considerably if the cancellation of the countermeasure or suspension of implementation is determined following the procedure, etc. mentioned in 3. (1) [7] above. For instance, in the case in which the Company suspends the implementation of the countermeasure, acquires the stock acquisition rights without contribution and does not issue new shares after the shareholders who should be allotted the stock acquisition rights without contribution are confirmed, the per-share value of the shares of the Company, held by shareholders, will not be diluted. Therefore, please take note that investors or shareholders who traded shares of the Company on the premise that the per-share value of the Company's shares would be diluted risk suffering a loss due to fluctuations in the share price.

Also, in the case of imposing discriminatory conditions on the exercise or acquisition of the stock acquisition rights, it can be assumed that the legal rights and economic interests of the acquirer, etc. will be influenced upon the exercise or acquisition. But, even in this case, the Company does not presume that there will be direct and specific influence on the legal rights and economic interests that shareholders, excluding the acquirer, etc., hold concerning shares of the Company.

(3) Procedure necessary for shareholders upon the gratis allotment of the stock acquisition rights

Shareholders recorded in the final shareholder register on the allotment date of the stock acquisition rights will not need to take the procedure for application as they become the holders of the stock acquisition rights as a matter of course on the effective date of the gratis allotment of the stock acquisition rights.

In the case in which the Company takes the procedure for acquisition of stock acquisition rights with acquisition clause, shareholders excluding the acquirer, etc. will receive the Company's shares without paying money equivalent to the exercise price of stock acquisition rights as the consideration of the

acquisition of the stock acquisition rights by the Company and will not need to take the procedures, such as cash payment for the stock acquisition rights.

In addition to the above, regarding the particulars of the allotment method, exercise method, method for acquisition by the Company, method for distribution of shares, and others, the Company will disclose information or make a notification with respect to the particulars of these procedures in timely and appropriate manners in accordance with applicable laws and regulations and the rules of the financial instruments exchange after any resolution of the Board of Directors of the Company in relation to the gratis allotment of the stock acquisition rights, so the Company would ask shareholders to check these details of the disclosure or the notification.

Attachment 1

Overview of Regulations for Independent Committee

1. The Independent Committee shall be established by resolution of the Board of Directors of the Company with the aim of defying the arbitrary judgment of the Board of Directors over matters, such as the implementation of countermeasures against large-scale acquisitions, etc. and ensuring the objectivity and reasonableness of the judgment and response of the Board of Directors.

2. The members of the Independent Committee shall be a minimum of three persons and elected from ones that fall upon any of outside directors of the Company or outside experts who are independent from the management of the Company who execute the business of the Company (experienced corporate managers, former government officials, lawyers, certified public accountants or academic experts or those equivalent to the above) pursuant to resolution of the Board of Directors of the Company. The Company shall conclude contracts that contain provisions of the duty care of a prudent manager and duty of confidentiality with members of the Independent Committee.

3. The term of office of members of the Independent Committee shall be until the conclusion of the Ordinary General Meeting of Shareholders relating to the final business year ending within one (1) year after election, or until the date that the relevant member of the Independent Committee and the Company separately agree on. However, this shall not apply in cases in which the Board of Directors of the Company pass other resolutions.

4. The Independent Committee shall be convened by President of the Company or any member of the Independent Committee.

5. The chair of the Independent Committee shall be elected by a mutual election of members of the Independent Committee.

6. The Independent Committee may request the attendance of the Company's Directors, Audit and Supervisory Committee Members, employees and others whom the Independent Committee recognizes as necessary and demand their opinions or explanations, as necessary.

7. The Independent Committee shall be convened whenever necessary, and the resolution of the Independent Committee shall be made with a majority vote of the members present at a meeting attended by all members of the Independent Committee in principle. However, in the events deemed unavoidable, such as an accident of a member, resolution shall be made by a majority vote of the members present at a meeting attended by the majority of the members except the relevant member.

8. The Independent Committee shall make decisions on the matters listed in each item below and make recommendations to the Board of Directors of the Company containing the details and reasons for the recommendation. The Independent Committee shall disclose information promptly concerning the fact of the resolution, the overview and other matters that the Independent Committee judges as appropriate, directly or through the Board of Directors of the Company.

Each member of the Independent Committee must make such decisions solely with a view to whether or not the Company's corporate value or the common interests of its shareholders will be ensured and enhanced, and they must not serve the purpose of their personal interests or those of the management of the Company.

(1) The determination of applicability regarding acquisitions, etc. subject to the Plan

(2) The implementation or non-implementation of countermeasures related to the Plan (including the desirability of obtaining the shareholders' intent beforehand over implementation)

(3) Cancellation of countermeasures related to the Plan or suspension of their implementation

(4) Abolishment or change of the Plan

(5) Determining the information, opinions, alternative plans and materials that an acquirer, etc. and the Board of Directors of the Company should submit to the Independent Committee

(6) Setting the Independent Committee examination period (However, the examination term shall not exceed 60 days in the case of an acquisition of all the Company's shares, etc. through a public tender offer with only cash in the Japanese yen as the consideration and shall not exceed 90 days in cases of other acquisitions, etc.) and extending the relevant examination period.

(7) Other matters that the Board of Directors of the Company consults with the Independent Committee out of matters that the Board of Directors of the Company makes judgments on

9. The Independent Committee may implement matters listed in each item below in addition to matters provided for in 8.

(1) Examination and consideration of the contents of the acquisition, etc. of an acquirer, etc.

(2) Negotiation and discussion with an acquirer, etc.

(3) Consideration of alternative plans

(4) Presentation of alternative plans to shareholders

(5) Other matters that the Plan prescribes that the Independent Committee may conduct.

(6) Matters that the Board of Directors of the Company separately determines that the Independent Committee may conduct.

10. The Independent Committee may seek advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense.

Attachment 2

Career Brief of Members of Independent Committee

1. Robert H. Janson (Director, Outside)

April 1973	Representative in Japan of Continental Gumi Welke AG (current Continental AG)
August 1978	Joined Audi NSU Auto Union
January 1980	Transferred from Audi NSU Auto Union to Volkswagen
July 1980	Representative of Volkswagen and Audi Japan
July 1983	Vice President & Representative Director of Volkswagen KK (current Volkswagen Group Japan KK)
July 1993	Representative of Tokyo Representative Office of Volkswagen Asia Pacific Inc.
January 1999	President & CEO of Janson & Associates, Inc. (incumbent)
January 2007	Director of FEV Japan Co., Ltd.
May 2017	Representative Director of FEV Japan Co., Ltd.
June 2021	Director of the Company (incumbent)

2. Hiroko Shimizu (Director, Outside)

April 1979	Joined Fujitsu Limited
April 2002	Personnel & General Affairs Service Center Manager
April 2002	President of Fujitsu Human Resources Professionals Limited
April 2007	Principal General Manager of Service Business Headquarters of Fujitsu Limited
May 2011	Chief Examiner of ISO/IEC JTC1 SC40/WG3 Committee
September 2013	Managing Corporate Officer of HR One Corporation
November 2015	Joined Tokyo System Research Corp. Corporate Officer
June 2021	Outside Director of Raito Kogyo Co., Ltd. (incumbent)
June 2022	Director of the Company (incumbent)
September 2023	Outside Director of NIITAKA Co., Ltd. (incumbent)

3. Yutaka Koizumi (Scheduled to be Director, Outside)

April 1980	Joined Canon Inc.
April 2005	General Manager of the No. 1 Development Department of Inkjet Components of Canon Inc.
January 2010	General Manager of Inkjet Component Development Center of Canon Inc.
April 2016	Chief Engineer of Musashi Engineering, Inc. (incumbent)
June 2023	Director of the Company (incumbent)

4. Yasuhiro Fujiwara (Director, Outside, who is an Audit and Supervisory Committee member)

April 1995	Joined Mitsui Home Co., Ltd.
October 2001	Joined Chuo Aoyama PricewaterhouseCoopers (subsequent Misuzu Audit Corporation)
July 2007	Joined Ernst & Young ShinNihon (current Ernst & Young ShinNihon LLC)
January 2021	Representative, Fujiwara Certified Public Accountant Office (incumbent)
	President & CEO, Accounting Support Kobo Co., Ltd. (incumbent)
June 2021	Director who is an Audit and Supervisory Committee Member of the Company (incumbent)
June 2023	Outside Auditor of Carlit Holdings Co., Ltd. (incumbent)

5. Yoshifumi Akazawa (Scheduled to be Director, Outside, who is an Audit and Supervisory Committee Member)

April 1994	Joined TMI Associates
February 1998	Full-time Representative of Shanghai Office of TMI Associates
April 2000	Joined ITOGA Law Office
June 2002	Chief Representative of Beijing Office of ITOGA Law Office
January 2005	Joined Tsuyuki Law Office (current Tsuyuki & Akazawa Law Office) (incumbent)
June 2013	Outside Corporate Auditor at Nagoya Electric Works Co., Ltd.
June 2015	Outside Corporate Auditor at Nagoya Electric Works Co., Ltd.
August 2019	Outside Director at Union Seimitsu Co., Ltd. (incumbent)
June 2023	Director who is an Audit and Supervisory Committee Member of the Company (incumbent)

* The Company has notified the Tokyo Stock Exchange (TSE) that the above five people have been designated as an Independent Officer pursuant to the provisions of TSE.

* There is no special conflict of interests between any of the above five people and the Company.

Attachment 3

Summary of Gratis Allotment of Stock Acquisition Rights

1. Total number of the stock acquisition rights to be allotted

The total number of the stock acquisition rights to be allotted will be the number that the Board of Directors of the Company will determine separately in a resolution relating to the gratis allotment of the stock acquisition rights (hereinafter referred to as "the Gratis allotment resolution") within the limits of the equivalent of the final and total number of issued and outstanding shares of the Company (however, excluding the number of the Company's shares that the Company holds in the same moment) on a certain date (hereinafter referred to the "Allotment date") that is separately determined by the Board of Directors of the Company in the Gratis allotment resolution.

2. Shareholders eligible for allotment

The Company will allot the stock acquisition rights without consideration to the shareholders recorded in the final shareholder register on the Allotment date at a ratio that the Board of Directors of the Company will separately determine in the Gratis allotment resolution within the limit of a ratio of one stock acquisition right for every one share of common stock of the Company held by them (however, excluding the number of the Company's shares that the Company holds in the same moment).

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

The effective date shall be one that the Board of Directors of the Company separately determine in the Gratis allotment resolution.

4. Class and number of shares that are the object of the stock acquisition rights

The class of shares that are the object of the stock acquisition rights shall be shares of common stock of the Company, and the number of shares that are the object of one stock acquisition right (hereinafter, referred to as "the Applicable number of shares") shall be one that the Board of Directors of the Company will separately determine in the Gratis allotment resolution within the limit of one share. However, in the case in which the Company splits or combines shares, necessary adjustments shall be made.

5. Contents and amounts of properties to be contributed upon exercise of the stock acquisition rights.

The purpose of contribution that is made upon exercise of the stock acquisition rights are to be in cash, and the amount of properties per share of common stock of the Company that is contributed upon exercise of the stock acquisition rights shall be an amount that the Company will separately determine

in the Gratis allotment resolution from one yen and more.

6. Restriction of assignment of the stock acquisition rights

Any assignment of the stock acquisition rights shall require the approval of the Board of Directors of the Company

7. Conditions for exercise of the stock acquisition rights

The following parties may not exercise the stock acquisition rights: (1) Acquirers, (2) Joint holders of acquirers, (3) Specially-related parties of specified acquirers, or (4) Parties that were assigned or succeeded to the stock acquisition rights from parties from (1) to (3) without the approval of the Board of Directors of the Company, or (5) Affiliated parties of parties falling under (1) to (4)[13] (Hereinafter, the parties mentioned above are collectively called "Non-qualified parties"). Details of conditions for exercise of the stock acquisition rights shall be separately determined in the Gratis allotment resolution.

8. Acquisitions of the stock acquisition rights by the Company

On any date that will be separately determined by the Board of Directors of the Company, the Company may acquire the stock acquisition rights held by parties other than Non-qualified parties and, in exchange, deliver shares of common stock of the Company in the number equivalent to the Applicable number of shares for every one stock acquisition right. However, the Board of Directors of the Company may not attach an acquisition clause to the effect that cash is delivered as consideration of the stock acquisition rights. Details of conditions for acquisition of the stock acquisition rights shall be separately determined in the Gratis allotment resolution.

9. Acquisition without consideration in case of cancellation of implementation of countermeasures

In the case in which the Board of Directors of the Company cancels implementation of countermeasures or in other cases in which the Board of Directors of the Company separately makes other decisions in the Gratis allotment resolution, the Company may acquire all the stock acquisition rights without consideration.

10. Exercise period, etc. of the stock acquisition rights

The exercise period and other necessary matters of the stock acquisition rights shall be separately determined by the Board of Directors of the Company in the Gratis allotment resolution.

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[13] An "affiliated party" of a given party means a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Board of Directors of the Company), or a party deemed by the Board of Directors of the Company to act in concert with such given party. "Control" means "the case of controlling the determination of the financial and business policies" of other companies or entities. (as defined in Article 3, paragraph 3, in the Enforcement Regulations of the Companies Act).

Attachment 4

Status of Shareholding of Major Shareholders and the Board of Directors of the Company

The status of shareholding of major shareholders and the board of directors of the Company as of March 31, 2024, is as follows.

1. The status of shareholding of major shareholders (The top ten)

Order	Name	Number of shares held (shares)	Ratio of voting rights (%)	Ratio of shareholding (%)	Remarks
1	KAWAMOTO CMK CO., LTD	1,671,000	10.38	9.48	
2	The Master Trust Bank of Japan, Ltd.	1,584,400	9.84	8.99	
3	J KAWAMOTO CO., LTD	1,313,600	8.16	7.45	
4	Stock held by FUKOKU Business partners	1,004,450	6.24	5.70	
5	Mari Watanabe	717,256	4.45	4.07	
6	MW Holdings Co., Ltd.	626,000	3.89	3.55	
7	Custody Bank of Japan, Ltd.	582,500	3.62	3.30	
8	Taro Kawamoto	517,471	3.21	2.93	
9	Jiro Kawamoto	516,264	3.20	2.93	
10	FUKOKU Employee Stock Ownership Plan	386,697	2.40	2.19	

(Note) Although the Company holds treasury shares of 1,493,462 shares, the Company is excluded from the major shareholders above.

2. Status of Shareholding of Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members)

Name	Title	Number of shares held (shares)	Ratio of voting rights (%)	Ratio of shareholding (%)	Remarks
Takashi Ogawa	Director & Chairman	25,780	0.15	0.14	
Ikuo Oshiro	President & CEO	11,880	0.07	0.06	
Masahiro Emura	Director	3,680	0.02	0.02	
Robert H. Janson	Outside Director	4,400	0.02	0.02	
Hiroko Shimizu	Outside Director	0	0.00	0.00	
Yutaka Koizumi	Outside Director	0	0.00	0.00	
Total		45,740	0.28	0.25	

(End)