HOKUETSU

PRESS RELEASE

FASF MEMBERSHIP

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Notice of Introduction of the Policy for Responding to the Large-Scale Acquisition of the Company's Share Certificates (Acquisition Response Policy) and Abolition of the Current Policy for Responding to the Large-Scale Acquisition of the Company's Shares Targeting Specific Shareholder Groups (Takeover Defense Measures)

At its meeting held on December 22, 2023, the Board of Directors of Hokuetsu Corporation (hereinafter, the "Company") passed a resolution to introduce a Policy for Responding to the Large-Scale Acquisition of the Company's Share Certificates, which targets Daio Kaiun Co., Ltd. (hereinafter, "Daio Kaiun"), its joint holders Kawasaki Paper Transport Co., Ltd. (hereinafter, "Kawasaki Paper Transport") and Misuga Kaiun Co., Ltd. (hereinafter, "Misuga Kaiun"; Daio Kaiun, Kawasaki Paper Transport, and Misuga Kaiun are collectively referred to as "Daio Kaiun et al."), and any related parties of Daio Kaiun et al. (hereinafter, "Shareholders Group"; this Policy is referred to as the "Contingency Response Policy"). The Board of Directors also passed a resolution at its meeting held on May 22, 2024 to continue and renew the Contingency Response Policy. The effective period of the Contingency Response Policy is through the end of the first meeting of the Board of Directors of the Company held after the ordinary general meeting of shareholders scheduled to be held in June 2025. Therefore, the Company has been carefully considering the handling of the Contingency Response Policy in consideration of developments after its introduction and the content of the "Guidelines for Corporate Takeovers—Enhancing Corporate Value and Securing Shareholders' Interests—" published by the Ministry of Economy, Trade and Industry on August 31, 2023

(hereinafter, “Corporate Takeover Guidelines”). This is done from the perspective of enhancing corporate value and ensuring and furthering the common interest of shareholders, and in view of changes in the business environment surrounding the Company and their impact, including the recent trends regarding takeover defense measures, regulatory developments, and the shareholder composition of the Company.

As a result, the Company has come to the conclusion that abolishing, rather than renewing, the Contingency Response Policy upon the expiration of the effective period and newly introducing an advance warning-type response policy that does not limit the scope of persons to which it is applicable will contribute to the medium- to long-term enhancement of the corporate value of the Company and the furtherance of the common interest of shareholders. Therefore, at its meeting held today (hereinafter, “Board of Directors Meeting”), the Board of Directors of the Company passed a resolution to submit to the 187th Ordinary General Meeting of Shareholders of the Company scheduled to be held in June 2025 (hereinafter, “Ordinary Shareholders’ Meeting”) a proposal to abolish and not renew the Contingency Response Policy upon the end of the first meeting of the Board of Directors of the Company held after the Ordinary Shareholders’ Meeting and to newly introduce a Policy for Responding to the Large-Scale Acquisition of the Company’s Share Certificates (hereinafter, “Response Policy”). This resolution is a part of efforts (based on Article 118, item (iii) (b) 2 of the Regulations for Enforcement of the Companies Act) to prevent the Company’s decisions on its financial and business policies from being controlled by a person who is inappropriate in view of the Basic Policy Regarding Persons Who Control the Company’s Decisions on Its Financial and Business Policies (as defined in the main sentence of Article 118, item (iii) of the Regulations for Enforcement of the Companies Act; hereinafter, “Basic Policy”). The effective period of the Response Policy shall be through the end of the ordinary general meeting of shareholders pertaining to the last fiscal year among the fiscal years ending within three years from the end of the Ordinary Shareholders’ Meeting. Please refer to III. 1. below for details on the background and reasons for the Board of Directors of the Company to have resolved that the Company abolish and not renew the Contingency Response Policy at the end of the first meeting of the Board of Directors of the Company held after the Ordinary Shareholders’ Meeting and submit a proposal to introduce the Response Policy at the Ordinary Shareholders’ Meeting.

Pursuant to the resolution of the Board of Directors of the Company that was passed at its meeting held on December 22, 2023, the Company has established an independent committee consisting of four independent Outside Directors of the Company (hereinafter, “Independent Committee”) for the purpose of preventing the Board of Directors of the Company from making an arbitrary judgment and further increasing the fairness and objectivity of the operation of the Contingency Response Policy. The Independent Committee has recommended to the Company that the Company abolish and not

renew the Contingency Response Policy and advised that it is appropriate for the Board of Directors to submit a proposal to introduce the Response Policy at the Ordinary Shareholders' Meeting. The submission of this proposal was approved at the Board of Directors Meeting by the unanimous consent of all Directors of the Company, including the four independent Outside Directors. All Audit & Supervisory Board Members of the Company, including two independent Outside Audit & Supervisory Board Members, also attended the Board of Directors Meeting and expressed an opinion to the effect that they have no objection.

If any of the Companies Act, Financial Instruments and Exchange Act, and other laws, regulations, rules, cabinet orders, cabinet office orders, ministerial orders, etc., related thereto, as well as rules and regulations of the financial instruments exchange on which the Company's shares or any other instruments are listed (hereinafter, collectively referred to as "Laws and Regulations, etc."), are amended (including changes of the names of Laws and Regulations, etc., and the enactment of Laws and Regulations, etc., that inherit the old Laws and Regulations, etc.; hereinafter the same shall apply) and enforced, each clause quoted by the Response Policy shall be deemed to be placed with the clause of the amended Laws and Regulations, etc., that effectively inherits the old clause, unless determined otherwise separately by the Board of Directors of the Company.

I. Basic Policy Regarding Persons Who Control the Company's Decisions on Its Financial and Business Policies

As a listed company, the Company believes that a change in corporate control is an effective method to revitalize corporate activities and the economy; that if there is a purchase proposal from a particular person that has a significant impact on the basic management policy of the Company, the decision to accept the proposal should, in principle, be left ultimately to each shareholder; and that in order for shareholders to make an appropriate decision, they need to be provided with sufficient information that is necessary for decision-making, as well as the necessary time to conduct an examination, evaluation, etc.

When a Large-scale Acquisition is actually carried out, if sufficient information that is necessary is not provided by the Large-scale Acquirer (as defined in III. 2. (1) 1) below; hereinafter the same shall apply) or if shareholders are not provided with the necessary time to conduct an examination, evaluation, etc., it is difficult for the Company to have its shareholders properly evaluate the impact of the Large-scale Acquisition on the Company's corporate value and the common interest of shareholders. Persons who control the Company's decisions on its financial and business policies should be those who secure and enhance the corporate value of

the Company and the common interest of shareholders in the medium- to long-term with sufficient understanding of the sources of the Company's corporate value. However, a Large-scale Acquisition may fall under i) those whose purpose is to transfer significant tangible and intangible management assets of the Company to the Large-scale Acquirer or its group company by temporarily gaining corporate control of the Company, ii) those whose purpose is to use the Company's assets to repay the debts of the Large-scale Acquirer, iii) those whose purpose is only to cause the Company or its related parties to purchase the Company's share certificates or other instruments at high prices with no intention to truly participate in the management of the Company (so-called "greenmailer"), iv) those whose purpose is to realize a high dividend temporarily by, for example, causing the Company to sell its high-value assets, v) those that may harm the good relationship between the Company and its stakeholders and impair the medium- to long-term corporate value of the Company, vi) those that do not provide the shareholders or the Board of Directors of the Company with the time and information that are reasonably necessary for them to examine the details of the purchase or acquisition proposal and for the Board of Directors of the Company to propose an alternative, vii) those that may effectively force shareholders to sell the Company's shares, or viii) those that do not sufficiently reflect the corporate value of the Company. If so, we cannot deny that such a Large-scale Acquisition will impair the medium- to long-term corporate value of the Company and the common interest of shareholders, which we have maintained and enhanced.

Based on this recognition, the Company, from the perspective of securing and enhancing its corporate value and the common interest of shareholders, believes that the responsibilities of the Board of Directors of the Company are 1) to ensure that the Large-scale Acquirer provides shareholders with sufficient information that is necessary for their decision-making, 2) to provide shareholders with the necessary time to conduct an examination, evaluation, etc., 3) to provide shareholders with the result of the evaluation and examination conducted by the Board of Directors of the Company, with due respect to the opinions of independent outside officers, of the impact of the proposal of the Large-scale Acquirer on the medium- to long-term corporate value of the Company and the common interest of shareholders, as a reference material for them to make their own decisions on the proposal, and 4) as necessary, to negotiate or consult with the Large-scale Acquirer regarding the Large-scale Acquisition or its management policies or to propose its own alternatives on management policies to shareholders and other matters.

Based on this basic understanding, in order to maximize the medium- to long-term corporate value of the Company and the common interest of shareholders, the Board of Directors of the Company will strive to secure the necessary information and time for shareholders' examination, evaluation, etc., by demanding that any Large-scale Acquirer provide sufficient information that is necessary for shareholders to determine whether the Large-scale Acquisition is appropriate,

and will take measures that are considered appropriate in accordance with Laws and Regulations, etc., and the Articles of Incorporation of the Company, such as timely and appropriate disclosure of any information provided by the Large-scale Acquirer to the Company.

II. Special Efforts That Contribute to the Realization of the Basic Policy

1. Efforts to enhance the Company's corporate value and the common interest of its shareholders

(1) Corporate philosophy of the Group

As a future-oriented business group, the Group has established the following Hokuetsu Group Corporate Philosophy based on the five key words of "people," "environment," "technology," "manufacturing," and "future":

> As a people focused business group, we work to improve society globally, by providing socially and environmentally responsible products through innovative manufacturing on a global scale.

The Group has also established the "Hokuetsu Group Code of Conduct" to signify the basic rules to be observed by all of its officers and employees in all of the activities that they engage in to realize the Group's corporate philosophy.

(2) Long-term Management Vision and Medium-term Management Plan

In order to realize the Group Corporate Philosophy, the Group formulated "Vision 2030," a long-term management vision for the next 10 years, in April 2020. The Group also formulated the Medium-term Management Plan 2026 in April 2023 as the second step towards realizing Vision 2030, and is promoting business activities to further enhance its corporate value. The summary of our initiatives related to the management policies under the Medium-term Management Plan 2026 is as follows:

1) Shifting the business portfolio

While aiming for global business expansion, such as by entering the pulp business in North America and the performance materials business in Europe, the Group has actively shifted its business portfolio through the start of the containerboard base

paper business and the product development of alternative materials to plastics in Japan.

In April 2025, in order to create an agile promotion system adapted to demand characteristics, the Group has reorganized its Domestic Paper & White Paperboard Sales Division and Global Trading Division into Paper Sales Division and White Paperboard Sales Division, in order to create an organizational structure to support higher sales competitiveness by product type. In addition, the Group will accelerate the business portfolio shift with the aim of achieving further sustainability growth, by focusing on high value-added products through the development of new products, such as those utilizing cellulose nanofiber, and through the expansion of the use of existing products, as well as by developing new businesses that will be its future core businesses by entering new businesses through M&A and other methods.

2) Strengthening competitiveness

The Group has recognized environmental issues as its management issue for more than 30 years and has been ahead of other companies in the industry in making capital investments for the resolution of such issues, maintaining its competitive position. Under the Medium-term Management Plan 2026, the Group has also participated in an initiative for the commercialization of advanced carbon dioxide capture and storage (CCS) by the Japan Organization for Metals and Energy Security. We will continue to aim to achieve the Hokuetsu Group Environmental Target 2030 and keep making efforts for improvement to solve the climate change issue, in order to further strengthen our environmental competitiveness.

Regarding cost competitiveness, the Company announced price revisions for paper and white paperboard in August 2024 and performance materials in September 2024, in order to compensate for recent increases in raw material and fuel costs. Meanwhile, the Company aims to further strengthen the cost competitiveness of its production and sales divisions by improving production efficiency through the use of a production system optimized according to the changes in the external environment, the introduction of low-cost raw materials, and other measures. Rating and Investment Information, Inc., a rating agency, positively evaluated the Company’s stable management based on the improvement of its environmental and cost competitiveness through such management efforts by the Company, and revised the credit rating of the Company upward from A− (stable) to A− (positive) two years prior and further to A (stable) last year.

In addition, the strategic business alliance with Daio Paper Corporation, which started in May last year, has delivered more positive effects than expected in terms of manufacturing and transportation costs, as a result of active exchanges through committees specifically focusing on production technology, product logistics, purchase of raw materials, etc., as well as through their subcommittees. In particular, in terms of transportation costs, specific actions, such as round transportation of products and sharing of chip carriers, have already started. The Company will continue to work to improve and strengthen its profit structure by further deepening the exchanges between the two companies.

Regarding safety competitiveness, the "hSA25" plan that was started in FY2020 has entered its third and final year, and the Company will steadily implement safety measures for its facilities to achieve the targets of the plan.

3) Promoting sustainability (ESG) activities

The Group has established the "Hokuetsu Group Basic Sustainability Policy" in 2021 in order to actively and proactively promote sustainability.

The Group has identified materiality (important issues), for the same period as the Medium-term Management Plan 2026, after closely examining requests and expectations from society and its importance in the Group's businesses, while taking into account international standards and other references. The Group has also set activity implementation targets (strategies) and group-wide KPIs (indicators and targets) to resolve those issues. In addition, the Company established a Sustainability Promotion Division in April 2025 to create an organizational structure designed to further strengthen its sustainability activities.

In particular, its environmental initiatives are sources of its competitiveness, so the Group is promoting the enhancement of its environmental competitiveness by formulating "Hokuetsu Group ZERO CO_2 2025," under which the Group aims to reduce CO_2 emissions to net zero by 2050. As a result, in the 2024 Carbon Disclosure Project (CDP) report, the Company received an "A" rating in the area of "Forests," "A−" in the area of "Climate Change," and "A−" in the area of "Water Security," meaning that the Company received leadership-level ratings in all areas. The Company will continue to contribute to initiatives to realize carbon neutrality in society and to achieve the Sustainable Development Goals (SDGs) promoted by the United Nations.

While the economy continues to develop through globalization, human rights issues, such as widening gaps and poverty and occurrence of conflicts, have arisen. In order to address these issues, the Ministry of Economy, Trade and Industry established the

"Guidelines on Respecting Human Rights in Responsible Supply Chains" in September 2022, requiring companies to promote initiatives to respect human rights when conducting their business activities. The Group has signed the United Nations Global Compact and established a Hokuetsu Group Human Rights Policy while promoting human rights initiatives, such as human rights due diligence.

2. Corporate governance initiatives

(1) Basic perspective on corporate governance

In order to achieve long-term stable improvement of our corporate value, which is the most important management issue, the Company will build an appropriate corporate governance system in accordance with the following basic concepts:

- We respect the rights of our shareholders and will strive to establish an environment in which shareholders can exercise their rights appropriately and to secure equality between shareholders.
- We recognize the importance of corporate social responsibility and will strive to collaborate appropriately with shareholders and other stakeholders in order to develop a corporate culture in which business is conducted with self-discipline in a sound manner.
- We will ensure transparency and fairness in our decision-making by establishing an executory system for timely disclosure and by conducting the timely and appropriate disclosure of non-financial information beyond the requirements mandated by laws and regulations.
- We will strive to secure the effectiveness of the Board of Directors based on our fiduciary responsibilities and accountability to our shareholders. We will also enhance the strategic, decision-making, and oversight functions of the Board of Directors through its analysis and assessment.
- We will actively and constructively engage in dialogue with our shareholders based on our Basic Policy for Active and Constructive Dialogue with Shareholders to support the enhancement of our stable, long-term corporate value.

(2) Outline of the corporate governance structure

The Company has adopted "company with an Audit & Supervisory Board" as its organizational form.

The Board of Directors of the Company strives to increase corporate value and the common interest of shareholders and aims to stably enhance long-term corporate value by implementing appropriate corporate governance. It is responsible for supervising overall management, including the execution of duties by management, and decides important matters prescribed by laws and regulations, the Articles of Incorporation of the Company, and the Rules for the Board of Directors. The Board delegates the decision-making for business matters other than those shown above to management in order to enhance the agility of business execution and management vitality while supervising their execution of duties.

From the perspective of stably enhancing corporate value over a long term, Outside Directors provide advice from a neutral and independent standpoint from management and play a proper role in making decisions on important management matters and supervising business execution, while overseeing any conflicts of interest between the Company and its management.

The Board of Directors of the Company is responsible for improving internal systems, such as internal control, and supervises whether they are operated effectively in coordination with the departments concerned.

There are 10 members of the Board of Directors of the Company in total, consisting of six Inside Directors and four independent Outside Directors (including one female Director). The Board is comprised of diverse members with strong expertise and is chaired by the President and CEO.

Based on the independence criteria prescribed by financial instruments exchanges, the Board of Directors of the Company selects Outside Director candidates from among those who are independent and neutral and are expected to contribute to constructive discussions at Board of Directors meetings.

For the nomination of Director candidates, a nomination draft is prepared by the Nomination and Compensation Committee, an advisory body to the Board, based on their evaluation, such as whether they have qualities that are useful for the realization of effective corporate governance and long-term and stable enhancement of corporate value, and is deliberated by the Board of Directors of the Company for the final decision. The Nomination and Compensation Committee consists of three members, namely two Outside Directors and the President and CEO, and is chaired by one of the Outside Directors.

(3) Other

For details of the corporate governance structure of the Company, please refer to the Corporate Governance Report of the Company.

III. Efforts to Prevent Someone Inappropriate from Controlling the Company's Decisions on Its Financial and Business Policies Based on the Basic Policy

1. Purpose of the Response Policy

At its meeting held on December 22, 2023, the Board of Directors of the Company passed a resolution to introduce a Contingency Response Policy and further resolved, at its meeting held on May 22, 2024, to continue and renew the Contingency Response Policy.

On the other hand, after the introduction of the Contingency Response Policy, the Company has carefully considered how the Contingency Response Policy should be treated, from the perspective of medium- to long-term enhancement of corporate value and the common interest of shareholders, in consideration of changes in the business environment surrounding the Company and their impacts, including opinions of shareholders, recent developments concerning response policies, regulatory developments, and the composition of the Company's shareholders.

After acquiring 35,646,000 shares in total of the Company's stock (equivalent to a share certificates holding ratio of 18.96% and a voting rights holding ratio of 21.16%) on December 25, 2023, Daio Kaiun et al. has maintained their shares of the Company at the same ratios to date. Tokyo Pulp & Paper Corporation (hereinafter, "Tokyo Pulp & Paper"), which is suspected of being in a joint cooperative relationship with Daio Kaiun et al., also continues to hold 150,000 shares (equivalent to a share certificates holding ratio of 0.08% and a voting rights holding ratio of 0.09%), including the additional acquisition of 50,000 shares on March 15 and 18 in 2024 after the introduction of the Contingency Response Policy without following the procedure prescribed by the Contingency Response Policy. Daio Kaiun et al. and Tokyo Pulp & Paper together currently maintain a high voting rights ratio of approximately 21%.

In addition to maintaining a voting rights holding ratio of approximately 21% as mentioned above, Daio Kaiun et al. has inspected and copied the voting forms of the Company in August 2024 and the shareholder register in October 2024. Moreover, as stated in Proposal 4 at the 186th Ordinary General Meeting of Shareholders of the Company, the true purpose of Daio Kaiun et al. acquiring the Company's shares is considered to be to apply strong pressure on the Company to force it to transfer the Daio Paper shares currently held by the Company to Daio Kaiun so that

Daio Kaiun can gain corporate control of Daio Paper. Daio Kaiun held 9,492,000 shares of Daio Paper stock (equivalent to a share certificates holding ratio of 5.62% and a voting rights holding ratio of 5.67%) as of March 31, 2024. After the continuation and renewal of the Contingency Response Policy, Daio Kaiun increased the number of shares held to 11,162,000 shares (equivalent to a share certificates holding ratio of 6.60% and a voting rights holding ratio of 6.66%) on September 30, 2024. This indicates that Daio Kaiun et al. continues to have a strong intention to acquire a large quantity of Daio Paper shares to gain its corporate control. This supports our conclusion that Daio Kaiun et al. continues to intend to acquire the Company's shares, and we can surmise that the Large-scale Acquisition of the Company's share certificates by Daio Kaiun et al. remains in the same condition as before.

Regarding Oasis Management Company Limited or its affiliated companies (hereinafter, "Oasis"), according to the Statement of Changes (10) submitted on March 19, 2025, Oasis holds 18,648,013 shares of the Company's stock (equivalent to a share certificates holding ratio of 9.92% and a voting rights holding ratio of 11.07%). There is a possibility that Oasis and Daio Kaiun will act in coordination given the following occurrences: Firstly, Daio Kaiun announced its intention to support Oasis' campaign related to the Ordinary General Meeting of Shareholders of the Company held in June 2023; secondly, Mr. Toshitaka Igawa, the effective owner of Daio Kaiun said that, "We were in coordination with Oasis. From now on, we will go our separate ways." during his interview with the Company's President and CEO Sekio Kishimoto on July 3, 2023; and thirdly, at the 186th Ordinary General Meeting of Shareholders of the Company, Daio Kaiun announced its intention to vote for the shareholder proposal submitted by Oasis. If they act in coordination, their combined voting rights holding ratio is considered to exceed one-third of the total voting rights, at which level they are granted veto power on special resolutions after considering the actual voting ratio at a general meeting of shareholders. There is a possibility that investors who are specifically suspected to act in coordination will also appear in the future, and we cannot deny the risk that the Company's shares will be bought up in a large quantity within a short period in or outside the market in the future. Therefore, we have determined that the Company needs to introduce the Policy for Responding to the Large-Scale Acquisition of the Company's Share Certificates because it is necessary to expand its coverage to include not only Daio Kaiun et al., but also Oasis, Tokyo Pulp & Paper, and those who are specifically suspected to act in coordination with them, in order to achieve medium- to long-term corporate value enhancement of the Company and to protect the common interest of shareholders.

As stated in I. above, the Company believes that it may become necessary to take measures that are determined appropriate against Large-scale Acquirers. On the other hand, the Company, as a listed company, believes that the decision to sell shares to a Large-scale Acquirer and whether

it is desirable to put the management of the Company into their hands should, basically, be left ultimately to each shareholder.

However, in order for shareholders to make an appropriate decision, their decision needs to be based on an appropriate understanding of the corporate value of the Group and the sources thereof with sufficient knowledge of the business characteristics specific to the Company and the Group described above, as well as the history of the Company and the Group. It is easy to imagine circumstances in which the information provided by a Large-scale Acquirer alone is not sufficient for shareholders to understand the potential impact of the acquisition of shares that enables the Large-scale Acquirer to gain corporate control of the Company on the Group's corporate value and the sources thereof. In order for shareholders to make an appropriate decision, we believe that they also need to review the information provided by the Board of Directors of the Company, which sufficiently understands the business characteristics specific to the Company and the Group, the evaluation and opinions of the Board of Directors of the Company on the acquisition of shares that enables the Large-scale Acquirer to gain corporate control of the Company, and depending on the case, any new proposal by the Board of Directors of the Company.

Therefore, the Company believes that it is very important for the Company to ensure there is sufficient time for shareholders to analyze and examine such diverse information.

From the standpoint described above and in view of the Basic Policy stated above, the Company has reached the conclusion that it needs to introduce the Response Policy as a way to prevent the Company's decisions on its financial and business policies from being controlled by an inappropriate person according to the Basic Policy. This allows the Board of Directors of the Company to enable shareholders to make an appropriate decision on whether to respond to the Large-scale Acquisition by demanding that the Large-scale Acquirer provide in advance the necessary information for the Large-scale Acquisition and secure a period for consideration and negotiation. Furthermore, the Company also needs to present to shareholders its opinion on whether the Large-scale Acquisition is appropriate or its alternative based on the recommendations of the Independent Committee, and to negotiate with the Large-scale Acquirer on behalf of shareholders.

For the reasons explained above, the Board of Directors of the Company will abolish rather than renew the Contingency Response Policy, and at the same time, confirm the intention of shareholders at the Ordinary Shareholders' Meeting by submitting a proposal requesting their approval for the introduction of the Response Policy. The Response Policy will be introduced only if it is approved by shareholders.

As of March 31, 2025, the status of the Company's major shareholders is as shown in Attachment 1. We do not currently recognize any concrete signs of a Large-scale Acquisition of the Company's share certificates.

2. Details of the Response Policy

As stated below, the Response Policy prescribes rules that should be followed by a person who intends to carry out a Large-scale Acquisition of the Company's share certificates. It also warns any person who intends to carry out a Large-scale Acquisition that does not contribute to the Group's corporate value and the common interest of shareholders by clarifying and properly disclosing that such person may incur damage due to countermeasures taken by the Company in certain circumstances.

(1) Procedures of the Response Policy

1) Applicable Large-scale Acquisitions

In the Response Policy, "Large-scale Acquisition" means a purchase of the Company's share certificates or a similar act that may fall under any of the categories listed in (a) through (c) below (excluding those that are approved by the Board of Directors of the Company in advance), while "Large-scale Acquirer" means a person who carries out, or intends to carry out, a Large-scale Acquisition.

(a) An acquisition (including, but not limited to, the commencement of a takeover bid) of the Company's share certificates (Note 3) whose purpose is to raise the voting rights ratio (Note 2) of a Specific Shareholder Group (Note 1) to 20% or above;

(b) An acquisition of the Company's share certificates that will raise the voting rights ratio of a Specific Shareholder Group to 20% or above as a result of the acquisition; and

(c) Regardless of whether any of the acts listed in (a) or (b) above is carried out, an act carried out between a Specific Shareholder Group of the Company and another shareholder (including the case of multiple shareholders; the same shall apply hereinafter in this (c)) of the Company that is also an act of reaching an agreement, as a result of which the other shareholder falls under a joint holder of the Specific Shareholder Group or a similar act, or an act of establishing (Note 5) a relationship between the Specific Shareholder Group and the other shareholder in which one of the parties effectively controls the other party or both parties act jointly or in collaboration (Note 4) (limited to cases where the combined voting rights

ratio of the Specific Shareholder Group and the other shareholder will become 20% or more with regard to shares issued by the Company).

Note 1: "Specific Shareholder Group" means a group that combines all of the persons listed below: 1) Holders (meaning the holders provided for in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act; including those who are included in holders pursuant to paragraph (3) of the same Article) of the Company's share certificates (meaning the share certificates, etc., provided for in Article 27-23, paragraph (1) of the same Act) and their joint holders (meaning the joint holders provided for in Article 27-23, paragraph (5) of the same Act; including those who are deemed to be joint holders pursuant to paragraph (6) of the same Article); 2) Persons who carry out a purchase, etc. (meaning the purchase, etc., provided for in Article 27-2, paragraph (1) of the same Act; including those carried out on a financial instruments exchange market) of the Company's share certificates (meaning the share certificates, etc., provided for in Article 27-2, paragraph (1) of the same Act) and their specially related parties (meaning the specially related parties provided for in Article 27-2, paragraph (7) of the same Act); 3) Any parties related to the persons listed in 1) or 2) above (meaning investment banks, securities companies, or other financial institutions that have entered into a financial advisory agreement with them or other persons with a shared interest with them, tender offer agents, lawyers, accountants, tax accountants, consultants, and other advisors, or any other persons who have been determined, based on the recommendations of the Independent Committee, by the Board of Directors of the Company to be those who are effectively controlled by them or those who act jointly or in collaboration with them); and 4) Persons who have purchased the Company's shares from any of the persons listed in 1) through 3) above through an OTC transaction outside the market or the off-hour trading system (ToSTNeT-1) of the Tokyo Stock Exchange.

Note 2: "Voting rights ratio" means either of the following ratios depending on the specific purchase method of the Specific Shareholder Group: 1) If the Specific Shareholder Group is a holder and a joint holder of the Company's share certificates (meaning the share certificates, etc., provided for in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act), the share certificates holding ratio (meaning the ownership ratio of

share certificates, etc., provided for in Article 27-23, paragraph (4) of the same Act; in this case, this shall be the number of share certificates held by the joint holder of the holder (meaning the number of share certificates, etc., held provided for in the same paragraph)) of the holder shall be included in the calculation; and 2) If the Specific Shareholder Group is a person who carries out a purchase, etc., of the Company's share certificates (meaning the share certificates, etc., provided for in Article 27-2, paragraph (1) of the same Act) and their specially related parties, this shall be their combined share certificates ownership ratio (meaning the ownership ratio of share certificates, etc., provided for in Article 27-2, paragraph (8) of the same Act). For the purpose of calculating the share certificates holding ratio, (i) the specially related parties as defined in Article 27-2, paragraph (7) of the same Act and (ii) investment banks, securities companies, or other financial institutions that have entered into a financial advisory agreement with the specified shareholders, their tender offer agents, lead underwriters, lawyers, accountants, tax accountants, consultants, and other advisors shall be deemed to be joint holders of the specified shareholders under the Response Policy unless the Independent Committee has determined that there is no problem from the perspective of corporate value maximization of the Group. For the purpose of calculating the share certificates ownership ratio, joint holders (including those who are deemed to be joint holders under the Response Policy) shall be deemed to be specially related parties of the Specific Shareholder Group under the Response Policy. In the calculation of the share certificates holding ratio or the share certificates ownership ratio of the Company, the most recently submitted report among securities reports, semiannual securities reports, and reports on repurchase can be referenced to determine the total number of issued shares (meaning the total number of issued shares provided for in Article 27-23, paragraph (4) of the same Act) and the total number of voting rights (meaning the total number of voting rights provided for in Article 27-2, paragraph (8) of the same Act).

Note 3: "Share certificates" means share certificates, etc., as defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act.

Note 4: Whether "a relationship between the Specific Shareholder Group and the other shareholder in which one of the parties effectively controls the other party or both parties act jointly or in collaboration" has been established

shall be determined based on capital relationship, business partnership, transactional or contractual relationship, concurrent positions held by officers, provision of funds, provision of credit, the status of buying up the Company's share certificates, status of exercise of voting rights pertaining to the Company's share certificates, effective formation of interest related to the Company's share certificates through derivatives, stock loaning, etc., and any direct and indirect influence that the Specific Shareholder Group and the other shareholder have on the Company.

Note 5: The Board of Directors of the Company shall determine reasonably whether any of the acts listed in (c) has been carried out while giving maximum respect for the recommendations of the Independent Committee. The Board of Directors of the Company may request that its shareholders provide information to the extent necessary for the determination of whether the purchase falls under the requirements set forth in (c) above.

Under the Response Policy, if the voting rights ratio of a Specific Shareholder Group is already 20% or more or if the combined share certificates holding ratio of a Specific Shareholder Group and the other shareholder is already 20% or more as a result of the act falling under (c) above when the Response Policy takes effect, the Specific Shareholder Group shall be deemed to be a Large-scale Acquirer, and in relation to the Specific Shareholder Group, any purchase falling under (a) or (b) (for the avoidance of doubt, this includes a new purchase of the Company's share certificates for one share) or any new act falling under (c) above carried out with another shareholder shall be treated as a Large-scale Acquisition.

Therefore, if the voting rights ratio of a Specific Shareholder Group is already 20% or more or if the combined share certificates holding ratio of a Specific Shareholder Group is already 20% or more as a result of the act falling under (c) above when the Response Policy takes effect, any new purchase falling under (a) or (b) (for the avoidance of doubt, this includes a new purchase of the Company's share certificates for one share) or any new act falling under (c) above carried out with another shareholder needs to follow the procedure prescribed by the Response Policy.

2) Submission in advance of a Letter of Intent to the Company

The Large-scale Acquirer is requested to submit to the Board of Directors of the Company a document in Japanese containing, among other things, a pledge statement to the effect that the Large-scale Acquirer will follow the procedure prescribed by the

Response Policy in executing the Large-scale Acquisition (hereinafter, "Letter of Intent") in the format prescribed by the Company before executing the Large-scale Acquisition.

More specifically, the Large-scale Acquirer is requested to include the matters listed below in the Letter of Intent. If the Large-scale Acquirer is a company or any other type of corporation, the representative of the Large-scale Acquirer is requested to sign, or print their name and affix their seal on the Letter of Intent, and the Large-scale Acquirer is also requested to submit a certificate of qualification of the signatory, the Articles of Incorporation of the Large-scale Acquirer, a certificate of all historical matters (or an equivalent document), and non-consolidated and consolidated balance sheets and statements of income for the last five fiscal years.

When the Board of Directors of the Company receives a Letter of Intent from the Large-scale Acquirer, it will promptly announce that fact and its content as necessary.

(a) Outline of the Large-scale Acquirer
  (i) Name and address or location;
  (ii) If the Large-scale Acquirer is a company or any other type of corporation, the names and career summaries for the last 10 years of its representative(s), directors (or persons holding an equivalent position; hereinafter the same shall apply), and Audit & Supervisory Board members (or persons holding an equivalent position; hereinafter the same shall apply);
  (iii) If the Large-scale Acquirer is a company or any other type of corporation, its purpose and business description;
  (iv) If the Large-scale Acquirer is a company or any other type of corporation, its direct and indirect major shareholders or large investors (top 10 in terms of shareholding ratio or investment ratio) and the outline of the shareholder (investor) who is the ultimate beneficial owner;
  (v) Contact information in Japan;
  (vi) If the Large-scale Acquirer is a company or any other type of corporation, the law governing its incorporation; and
  (vii) Names, head office location, and business description of major investees, as well as the Large-scale Acquirer's shareholding ratio or investment ratio in each of them;

(b) The number of the Company's share certificates currently held by the Large-scale Acquirer and the trading status of the Company's share

certificates by the Large-scale Acquirer during the period of 60 days preceding the submission of the Letter of Intent;

(c) The outline of the Large-scale Acquisition proposed by the Large-scale Acquirer. This includes the class and the number of the Company's share certificates that the Large-scale Acquirer intends to acquire through the Large-scale Acquisition, and the purpose of the Large-scale Acquisition [gaining control or participating in management, pure investment or strategic investment, transfer of the Company's share certificates to a third party after the Large-scale Acquisition, or any material proposal (meaning the material proposal provided for in Article 27-26, paragraph (1) of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Order on Disclosure of the Status of Large-Volume Holdings in Share Certificates), and if there is any other purpose, that fact and its description; if there is more than one purpose, the Large-scale Acquirer is requested to state all of them].

3) Provision of Necessary Information

If the Large-scale Acquirer has submitted the Letter of Intent under 2) above, the Large-scale Acquirer is requested to provide the Company with sufficient information that is necessary for its shareholders and investors to make a decision on the Large-scale Acquisition and for the Board of Directors of the Company to conduct an evaluation, examination, etc., of the Large-scale Acquisition (hereinafter, "Necessary Information") in Japanese by following the procedure prescribed below.

First, the Company will send an information list that indicates the information that should initially be submitted to the address indicated in the contact information in Japan in 2) (a) (v) above within 10 business days (meaning days other than those listed in the items of Article 1, paragraph (1) of the Act on Holidays of Administrative Organs; hereinafter the same shall apply) (not counting the first day) from the day on which it received the Letter of Intent, and the Large-scale Acquirer is requested to provide the Company with sufficient information in accordance with the information list. When the Board of Directors of the Company receives the Necessary Information, the Board will promptly provide it to the Independent Committee. If the Board of Directors of the Company reasonably determines that the information provided by the Large-scale Acquirer in accordance with the information list is insufficient for

shareholders and investors to make decisions and for the Board of Directors of the Company to conduct an evaluation, examination, etc., in view of the details, state, etc., of the Large-scale Acquisition, the Board of Directors of the Company may separately request that the Large-scale Acquirer provide additional information by the due date specified by the Board of Directors of the Company as appropriate. (In making such determination, the Board of Directors of the Company will respect the opinions of the Independent Committee to the maximum extent.) In this case, the Large-scale Acquirer is requested to provide such additional information to the Board of Directors of the Company by the due date. The Board of Directors of the Company can make a request for additional submission of Necessary Information repeatedly until the Board of Directors of the Company determines that the Necessary Information has been provided sufficiently; provided, however, that the final due date for such submission shall not exceed 60 days from the day on which the Large-scale Acquirer received the information list, including cases where the Board of Directors of the Company has not determined that the Necessary Information has been provided sufficiently (however, this period may be extended as necessary if requested by the Large-scale Acquirer or others; hereinafter, "Necessary Information Provision Period").

In principle, information regarding any of the items below shall be included, regardless of the details, state, etc., of the Large-scale Acquisition:

(a) Details of the Large-scale Acquirer and its group (including direct and indirect major shareholders or investors, significant subsidiaries, affiliates, joint holders, and specially related parties; in the case of a fund or an entity concerned with its investment (whether it is established based on the Japanese law or foreign law, and regardless of its legal form; hereinafter, "Fund, etc.") or if there is a Fund, etc., that is effectively controlled or managed by the Large-scale Acquirer, its major partners, investors, other members, and persons who provide investment advice on an ongoing basis are included; hereinafter the same shall apply) (including their history, specific name, address, the law governing their incorporation, capital structure, investees, investment ratio in them, business description, financial condition, details of investment policies, details of investment and lending activities within the last 10 years, whether it falls under "foreign investors" provided for in Article 26, paragraph (1) of the Foreign Exchange and Foreign Trade Act (hereinafter, "Foreign Exchange Act") and information that forms the basis for such determination, any violation

of law during the last 10 years (if there is any, the outline thereof), experience in the same type of business as those of the Company and the Group, and information on the details of any potential competition in the future, as well as the names of officers, their career summaries for the last 10 years, and any violation of law in the past (if there is any violation, the outline thereof));

(b) Specific description of the internal control systems of the Large-scale Acquirer and its group (including group internal control systems) and the evaluation of their effectiveness or description of their situation;

(c) The purpose (the details of the purpose disclosed in the Letter of Intent; if there is a purpose, such as gaining control or participating in management, pure investment or strategic investment, transfer of the Company's share certificates to a third party after the Large-scale Acquisition, making any material proposal, or any other purpose, include that fact and the outline thereof; and if there is more than one purpose, the Large-scale Acquirer is requested to state all of them), method, and details of the Large-scale Acquisition, including whether the Large-scale Acquirer intends to participate in management, the class and the number of the Company's share certificates that are the targets of the Large-scale Acquisition, the type and the amount of consideration for the Large-scale Acquisition, timing of the Large-scale Acquisition, the mechanism of related transactions, the number of the Company's share certificates to be acquired, the share certificates holding ratio after the completion of the Large-scale Acquisition, the legality of the method of the Large-scale Acquisition, the feasibility of the Large-scale Acquisition, and related transactions (if the Large-scale Acquisition is contingent upon certain conditions, a description of such conditions), the holding policy for the Company's share certificates after the completion of the Large-scale Acquisition, and if the Company's share certificates are expected to be delisted, that fact and reasons therefor. Regarding the legality of the method of the Large-scale Acquisition, the Large-scale Acquirer is also requested to submit a written legal opinion prepared by a qualified lawyer;

(d) Basis for calculating the consideration for the Large-scale Acquisition and its calculation process (including the underlying facts and the assumptions of calculation, calculation method, numerical information used for calculation, synergy and dissynergy expected to arise from transactions

related to the Large-scale Acquisition and the basis therefor, and if the opinion of a third party is sought in calculating the amount of consideration, the name and other information of the third party, the summary of its opinion, and the background for the determination of the amount based on the opinion);

(e) Funding sources for the Large-scale Acquisition (specific names of the providers of funds (including direct or indirect effective provider of funds), funding methods, the existence and details of any conditions precedent for the execution of the provision of funds, the existence and details of any security requirements or covenants after the provision of funds, and specific details of related transactions);

(f) Existence of any communication of intentions between the Large-scale Acquirer and a third party (including the communication of intentions to make a material proposal to the Company; hereinafter the same shall apply) and if there is such communication of intentions, the specific state and details thereof and the outline of the third party;

(g) The holding status of the Company's share certificates by the Large-scale Acquirer and its group, the holding status and contractual status of any derivatives whose underlying assets are related to the Company's share certificates or the businesses of the Company or its group or other financial derivatives, and the status of stock loaning, stock borrowing, short-selling, etc., of the Company's share certificates;

(h) If there is a lease agreement, security agreement, repurchase agreement, purchase-sale commitment agreement, or any other important agreement regarding the Company's share certificates that are already owned by the Large-scale Acquirer and its group (hereinafter, "Security Agreement, etc."), the specific terms and conditions of the Security Agreement, etc., including the type of the agreement, the other parties to the agreement, and the quantity of the Company's share certificates that are covered by the agreement;

(i) If there is a promise to enter into a Security Agreement, etc., with a third party regarding the Company's share certificates that the Large-scale Acquirer plans to acquire through a Large-scale Acquisition or a promise to enter into any other agreement with a third party, the specific terms and conditions of the promised agreement, including the type of the agreement,

the other parties to the agreement, and the quantity of the Company's share certificates that are covered by the agreement;

(j) The management policies of the Company and the Group that are planned to be introduced after the completion of the Large-scale Acquisition, the career summaries and other details (including information about their knowledge and experience in the same type of business as those of the Company and the Group) of the officer candidates scheduled to be dispatched after the completion of the Large-scale Acquisition, and business, funding, and investment plans, capital and dividend policies, and asset utilization plans (including plans for selling, offering as security, and otherwise disposing of assets of the Company and the Group after the completion of the Large-scale Acquisition);

(k) Policies for the treatment of stakeholders of the Company and the Group, including their officers, employees, labor unions, business partners, customers, and local governments, after the completion of the Large-scale Acquisition;

(l) Specific measures to prevent any conflicts of interest between the Large-scale Acquirer and other shareholders of the Company;

(m) A written pledge to the effect that the Large-scale Acquirer does not fall under Abusive Acquirer (as defined in 5) (b) below);

(n) Regulatory matters based on the Foreign Exchange Act and other Japanese and foreign Laws and Regulations, etc., that may be applicable to the Large-scale Acquisition, and the possibility of acquiring the approvals, licenses, and permits that should be obtained from the Japanese or foreign governments or a third party based on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, the Foreign Exchange Act, or any other Laws and Regulations, etc. (regarding these matters, the Large-scale Acquirer is also requested to submit a written legal opinion prepared by a qualified lawyer in the related jurisdiction);

(o) The possibility that the licenses and permits that are necessary in relation to the management of the Company and the Group based on Japanese and foreign Laws and Regulations, etc., will be maintained after the completion of the Large-scale Acquisition and the possibility of regulatory compliance, such as compliance with Japanese and foreign Laws and Regulations, etc.; and

(p) Whether there is any relationship with anti-social forces or terrorist organizations (whether direct or indirect); and if there is such a relationship, the details thereof.

The Board of Directors of the Company will, pursuant to the applicable Laws and Regulations, etc., properly disclose the fact that a proposal for a Large-scale Acquisition has been made by a Large-scale Acquirer and will promptly disclose any information determined to be necessary for shareholders and investors to make a decision, along with the outline of the proposal, the outline of Necessary Information, and other information.

When the Board of Directors of the Company or the Independent Committee has determined that the provision of Necessary Information has been completed (in cases where part of the required information has not been submitted, if the Board of Directors of the Company determines that a reasonable explanation has been provided for the non-submission, it may treat the situation as the completion of Necessary Information) or the Necessary Information Provision Period has expired, the Company will promptly disclose that fact in accordance with applicable Laws and Regulations, etc. As stated in 4) below, the Board of Directors' Evaluation Period (as defined in 4) below) will start on the day immediately following the date of such disclosure.

4) Setting a Board of Directors' Evaluation Period

Depending on the level of difficulty in evaluating the Large-scale Acquisition, the Board of Directors of the Company will set either of the periods specified in (a) or (b) (each will start from the day immediately following the day on which the Company discloses the fact that the Board of Directors of the Company or the Independent Committee has determined that the provision of Necessary Information has been completed or the fact that the Necessary Information Provision Period has expired) as the period for evaluation, examination, negotiation, opinion formation, and the formulation of an alternative by the Board of Directors of the Company (hereinafter, "Board of Directors' Evaluation Period") and will promptly disclose it in accordance with applicable Laws and Regulations, etc. Unless otherwise prescribed in the Response Policy, the Large-scale Acquisition should commence only after the Board of Directors' Evaluation Period has passed.

(a) Up to 60 days in the case of a takeover bid targeting all of the Company's share certificates for consideration only in the form of cash (in yen); or

(b) Up to 90 days in the case of any other Large-scale Acquisition.

In either (a) or (b) above, the Board of Directors' Evaluation Period may be extended only if the Board of Directors of the Company has determined that there is a reasonable ground for extension. (The extension period shall not exceed 30 days. This also applies to further extension, which is permitted only once.) In this case, the Board will notify the Large-scale Acquirer of the extension period and the specific reason for needing the extension period and will disclose them to shareholders and investors in accordance with applicable Laws and Regulations, etc.

During the Board of Directors' Evaluation Period, the Board of Directors of the Company shall sufficiently evaluate and examine the Necessary Information provided by the Large-scale Acquirer and examine the Large-scale Acquisition in detail from the perspective of maintaining and enhancing the corporate value of the Group and the common interest of shareholders while obtaining advice from external experts (meaning investment banks, securities companies, financial advisors, certified public accountants, lawyers, tax accountants, consultants, and other experts; hereinafter the same shall apply) as necessary and appropriate. The Board of Directors of the Company will carefully develop its opinion on the Large-scale Acquisition through such evaluation, examination, etc., notify the Large-scale Acquirer of it, and disclose them to shareholders and investors in a timely and appropriate manner in accordance with applicable Laws and Regulations, etc.

The Board will also negotiate with the Large-scale Acquirer on the terms and conditions and the method of the Large-scale Acquisition and may present its own alternative to shareholders and investors as necessary.

5) Recommendations of the Independent Committee concerning the invocation of countermeasures

Under the Response Policy, an organization has already been established to prevent the Board of Directors of the Company from making an arbitrary judgment with regard to the invocation of countermeasures, etc., and to ensure the objectivity and reasonableness of judgment and responses of the Board of Directors of the Company (hereinafter, "Independent Committee"). The Board of Directors of the Company shall utilize the Independent Committee, which consists of four Outside Directors who are independent from the management that is responsible for the Company's business execution. The Independent Committee shall make recommendations to the Board of Directors of the Company regarding whether countermeasures should be invoked,

among other things. In accordance with the Independent Committee Regulations (please refer to Attachment 2 for their outline), the Independent Committee is comprised only of Outside Directors of the Company, Outside Audit & Supervisory Board Members of the Company, or external experts (corporate executives with a strong track record, former government officials, lawyers, certified public accountants, academic experts, or other equivalent persons) who are independent from the management that is responsible for the Company's business execution. The name and career summary of each member are as shown in Attachment 3.

During the Board of Directors' Evaluation Period, in parallel with the evaluation, examination, negotiation, opinion formation, and the formulation of an alternative by the Board of Directors of the Company under 4) above, the Independent Committee shall make recommendations to the Board of Directors of the Company regarding whether countermeasures should be invoked, by following the procedure prescribed below. In doing so, the Independent Committee is allowed to obtain, at the expense of the Company, advice from external experts who are independent from the management that is responsible for the Company's business execution, in order to ensure that the judgment made by the Independent Committee contributes to the maintenance and enhancement of the corporate value of the Group and the common interest of shareholders. When the Independent Committee has made recommendations to the Board of Directors of the Company as prescribed in (a) or (b) below, the Board shall promptly disclose that fact, the summary of the recommendations, and any other matters determined appropriate by the Board, in accordance with applicable Laws and Regulations, etc.

(a) If the Large-scale Acquirer does not follow the procedure prescribed by the Response Policy

In the case where the Large-scale Acquirer has violated the procedure prescribed by the Response Policy in material respects, if the violation has not been corrected within five business days (not counting the first day) after the Large-scale Acquirer receives the written notice sent by the Board of Directors of the Company demanding its correction, the Independent Committee shall, in principle, recommend the invocation of countermeasures by the Board of Directors of the Company (the Independent Committee shall recommend the invocation of countermeasures before the expiration of the correction period if it is clear that the violation will not be corrected), unless there are special

circumstances, such as in the case where it is clearly necessary for the Board not to invoke countermeasures for the maintenance and enhancement of the corporate value of the Company and the Group and the common interest of shareholders. When such recommendations are made, the Company will disclose the opinion of the Independent Committee, reasons therefor, and any other information determined appropriate, in a timely and appropriate manner, in accordance with applicable Laws and Regulations, etc.

After the Independent Committee recommended to the Board of Directors of the Company the invocation of countermeasures against the Large-scale Acquisition, if there has been a change in any of the facts underlying its judgment for making such a recommendation, such as in the case where the Large-scale Acquisition has been withdrawn, the Independent Committee may recommend that the invocation of the countermeasures be suspended or make other recommendations to the Board of Directors of the Company. When new recommendations are made in such circumstances, the Company will also disclose the opinion of the Independent Committee, reasons therefor, and any other information determined appropriate, in a timely and appropriate manner, in accordance with applicable Laws and Regulations, etc.

In this case, the Board of Directors of the Company shall make decisions on the suspension of the invocation of countermeasures and other matters with maximum respect for the recommendations of the Independent Committee above, unless there are special circumstances that give rise to a clear violation of the duty of care of a good manager as Directors.

(b) If the Large-scale Acquirer follows the procedure prescribed by the Response Policy

If the Large-scale Acquirer follows the procedure prescribed by the Response Policy, the Independent Committee shall, in principle, recommend that the Board of Directors of the Company not invoke countermeasures.

However, in the case where the procedure prescribed by the Response Policy is followed, if it is determined that the purchase, etc., by the Large-scale Acquirer who falls under any of the cases listed in (i) through (xi) below (hereinafter, those who fall under these cases are collectively referred to as “Abusive Acquirers”) will significantly impair the corporate value of the Group and the common interest of shareholders and if the invocation of countermeasures is determined appropriate,

the Independent Committee may recommend the invocation of countermeasures as exceptional measures.

(i) The Large-scale Acquirer is determined to be a person who is acquiring or intends to acquire the Company's share certificates only for the purpose of causing the Company or its related parties to purchase the Company's share certificates at high prices after artificially driving the stock price higher with no intention to truly participate in the management of the Company (so-called "greenmailer"), or the main purpose of the acquisition of the Company's share certificates is determined to be for obtaining a short-term profit margin;

(ii) The Large-scale Acquirer is determined to be a person who is acquiring the Company's share certificates for the purpose of transferring, to the Large-scale Acquirer or its group company, etc., the Company's or the Group's assets that are necessary for their business operations, such as intellectual property rights, knowhow, corporate secret information, major business partners, or customers, by temporarily gaining corporate control of the Company;

(iii) The Large-scale Acquirer is determined to be a person who is acquiring the Company's share certificates for the purpose of using the assets of the Company or the Group as security for debts of the Large-scale Acquirer or its group company, etc. for the repayment of their debts, after gaining the corporate control of the Company;

(iv) The Large-scale Acquirer is determined to be a person who is acquiring the Company's share certificates for the purpose of causing the Company or its group company to sell or otherwise dispose of their high-value assets, such as real estate and securities, that are not related to their business for the time being in order to realize a temporarily high dividend or sell the Company's share certificates at high prices reached temporarily by such a temporarily high dividend by temporarily gaining corporate control of the Company;

(v) The Large-scale Acquirer is determined to be a person who intends to focus only on seeking its own profit by generating gains on sales exclusively through short- to medium-term resale of the Company's share certificates to the Company or third parties, by taking various measures after acquiring the Company's share certificates, including the ultimate disposition of

assets of the Company, without showing any particular interest in or getting involved in the management of the Company;

(vi) The purchase method of the Company's share certificates proposed by the Large-scale Acquirer is determined to be a method designed to limit the opportunities or freedom for shareholders to make their own judgment, which may effectively force them to sell the Company's share certificates (so-called a coercive method), such as a coercive two-step transactions (a purchase, etc., of share certificates, such as a takeover bid, in which the purchase proposed in the first step is not for all of the Company's share certificates, and in the second step, purchase terms are unfavorable or unclear);

(vii) The purchase terms (including, but not limited to, the type and the amount of purchase consideration, the basis for calculating the amount, other specific terms and conditions (including the timing and method of the acquisition), existence of any illegality, and feasibility) of the Company's share certificates proposed by the Large-scale Acquirer are determined to be extremely insufficient or inappropriate in view of the intrinsic corporate value of the Company;

(viii) It is determined that if the Large-scale Acquirer gains control, the change in control will significantly hamper the maintenance and enhancement of the corporate value of the Group and the common interest of shareholders, such as in the case where the change in control will destroy the relationship with customers, employees, and other stakeholders, who are the sources of corporate value, as well as the Company's shareholders, and a significant impairment of the corporate value of the Group and the common interest of shareholders is expected;

(ix) In comparison to the future corporate value in the medium to long term, the corporate value of the Group in the case where the Large-scale Acquirer gains control is determined to be significantly inferior compared to the case where the Large-scale Acquirer does not gain control;

(x) The Large-scale Acquirer is determined to be extremely inappropriate as a controlling shareholder of the Company from the perspective of public order and morals, such as in the case where there are persons who are related to anti-social forces or a terrorist organization among the management members, major shareholders or investors of the Large-scale Acquirer; or

(xi) Other cases that are similar to those listed in (i) through (x) above in which the proposed acquisition is determined to significantly impair the corporate value of the Group and the common interest of shareholders.

6) Resolution of the Board of Directors

The Board of Directors of the Company shall respect the recommendations of the Independent Committee prescribed in 5) above to the maximum extent and promptly pass the necessary resolutions based on the recommendations and from the perspective of maintaining and enhancing the corporate value of the Group and the common interest of shareholders. The resolutions may include deciding whether or not to invoke countermeasures, and convoking a general meeting of shareholders to confirm the will of shareholders as to whether it is necessary to invoke countermeasures against the Large-scale Acquisition and the specific details of the countermeasures (hereinafter, "General Shareholders' Meeting for Confirming the Shareholders' Will").

After the Board of Directors of the Company passed a resolution to invoke countermeasures or invoked countermeasures, (a) if the Large-scale Acquirer has canceled the large-scale Acquisition or (b) if there has been a change in any of the facts underlying its judgment as to whether countermeasures should be invoked, and it is no longer appropriate to invoke countermeasures from the perspective of maintaining and enhancing the corporate value of the Group and the common interest of shareholders, the Board of Directors of the Company shall pass a resolution to suspend the invocation of countermeasures.

When the Board of Directors of the Company has passed the resolution mentioned above, the Board shall promptly disclose the outline of the resolution, including the evaluation, judgment, and opinion of the Board regarding the need for invoking countermeasures, and any other matters determined appropriate by the Board, in accordance with applicable Laws and Regulations, etc.

7) Convocation of a General Shareholders' Meeting for Confirming the Shareholders' Will

When the Large-scale Acquirer does not follow the procedure prescribed by the Response Policy, if the Board of Directors of the Company has determined that a General Shareholders' Meeting for Confirming the Shareholders' Will should be held regarding the invocation of countermeasures under the Response Policy, the Board shall convoke a General Shareholders' Meeting for Confirming the Shareholders' Will

as promptly as possible. When the Large-scale Acquirer follows the procedure prescribed by the Response Policy, if the Board of Directors of the Company intends to pass a resolution to invoke countermeasures from the perspective of maintaining and enhancing the corporate value of the Group and the common interest of shareholders, the Board shall convoke a General Shareholders' Meeting for Confirming the Shareholders' Will as promptly as possible. In these cases, the Board of Directors of the Company shall disclose the details of the General Shareholders' Meeting for Confirming the Shareholders' Will in accordance with applicable Laws and Regulations, etc., including the scope of shareholders who can exercise voting rights (the appropriate scope will be determined in consideration of recent court precedents, the state of the proposed Large-scale Acquisition, etc.), the record date for exercising voting rights, and the date and time of the Meeting. A resolution of the General Shareholders' Meeting for Confirming the Shareholders' Will shall be passed by a majority of the votes of shareholders present at the Meeting who can exercise their voting rights. The Large-scale Acquisition in question should be carried out only after the rejection of the proposal to invoke countermeasures at the General Shareholders' Meeting for Confirming the Shareholders' Will and the end of the Meeting. If the proposal to invoke countermeasures under the Response Policy is approved at the General Shareholders' Meeting for Confirming the Shareholders' Will, the Board of Directors of the Company shall pass a resolution to invoke countermeasures against the Large-scale Acquisition under the Response Policy. On the other hand, if the proposal is rejected, countermeasures will not be invoked against the Large-scale Acquisition under the Response Policy.

After the initiation of the convocation procedure for a General Shareholders' Meeting for Confirming the Shareholders' Will, if the Board of Directors of the Company has passed a resolution not to invoke countermeasures, or in the case where the Large-scale Acquirer does not follow the procedure prescribed by the Response Policy, if the Board of Directors of the Company has determined that it is appropriate for the Board to pass a resolution to invoke countermeasures, the Company may cancel the convocation procedure for a General Shareholders' Meeting for Confirming the Shareholders' Will. When the Board of Directors of the Company has passed the resolution mentioned above, the Company shall promptly disclose the outline of the resolution, including the evaluation, judgment, and opinion of the Board regarding the need for invoking countermeasures, and any other matters determined appropriate by the Board, in accordance with applicable Laws and Regulations, etc.

(2) Specific countermeasures under the Response Policy

The countermeasures that the Company will invoke based on the Response Policy shall, in principle, be the gratis allotment of stock acquisition rights (hereinafter, "Stock Acquisition Rights"). However, if the invocation of other countermeasures permitted by Laws and Regulations, etc., and the Articles of Incorporation of the Company is determined to be appropriate, the other countermeasures may be used.

The outline of gratis allotment of Stock Acquisition Rights as countermeasures invoked under the Response Policy is as shown in Attachment 4. However, when a gratis allotment of Stock Acquisition Rights is actually carried out, the exercise period, exercise conditions, call options, etc., of the Stock Acquisition Rights may be determined in consideration of their effectiveness as countermeasures against a Large-scale Acquisition, such as (a) a condition that Stock Acquisition Rights cannot be exercised by certain Large-scale Acquirers and their joint holders and specially related parties who are determined by the Board of Directors of the Company in accordance with a prescribed procedure and those who are determined by the Board of Directors of the Company to be persons who are effectively controlled by them and act in collaboration with them (hereinafter, "Persons Satisfying the Conditions for Exceptional Treatment") and (b) a call option with the condition that the Company can acquire only part of the Stock Acquisition Rights that are held by shareholders other than Persons Satisfying the Conditions for Exceptional Treatment; and a call option with the condition that the Company can acquire Stock Acquisition Rights that are held by shareholders other than Persons Satisfying the Conditions for Exceptional Treatment in exchange for the Company's common stock, while Stock Acquisition Rights that are held by Persons Satisfying the Conditions for Exceptional Treatment can be acquired in exchange for different stock acquisition rights that are subject to certain exercise conditions or call options.

(3) Effective period, abolition, and revision of the Response Policy

The effective period of the Response Policy shall be through the end of the ordinary general meeting of shareholders pertaining to the last fiscal year among the fiscal years ending within three years from the end of the Ordinary Shareholders' Meeting.

However, if there is a person who is currently carrying out or is planning to carry out a Large-scale Acquisition and is designated by the Board of Directors of the Company as such at the expiration of the effective period, the effective period shall be extended to the extent necessary for responding to the Large-scale Acquisition that is currently carried out

or planned. If the Board of Directors whose members consist of Directors elected by the General Meeting of Shareholders of the Company passes a resolution to abolish the Response Policy at any time before the expiration of the effective period, the Response Policy shall be abolished immediately.

The Board of Directors of the Company may amend or revise the Response Policy at any time after obtaining the approval of the Independent Committee, to the extent reasonably necessary for responding to changes in Laws and Regulations, etc., or the interpretation and/or operation thereof, changes in the taxation system or court precedents, responses of financial instruments exchanges or other public institutions, etc. If it is necessary for the Board of Directors of the Company to confirm the will of shareholders regarding the contents of the Response Policy because the revision pertains to the basic matters of the Response Policy, the Board shall submit a proposal again to the upcoming General Meeting of Shareholders to obtain the shareholders' approval.

If the Response Policy is abolished or revised in a manner that has a substantial impact on shareholders, the Company will promptly disclose the fact of the abolition or revision, specific revisions (in the case of the latter), and any other matters determined appropriate by the Board of Directors of the Company, in accordance with Laws and Regulations, etc.

3. Reasonableness of the Response Policy

The Response Policy has a high degree of reasonableness because it is prepared based on the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" published by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005; the "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008; the Corporate Takeover Guidelines; the rules on policies for responding to acquisitions proposed at normal times established by the Tokyo Stock Exchange; and "Principle 1.5 Anti-Takeover Measures" of the Corporate Governance Code, which was introduced by the Tokyo Stock Exchange through the revision of its Securities Listing Regulations and took effect on June 1, 2015 (as revised on June 11, 2021), as well as the practice and discussions on takeover defense measures.

(1) Maintaining and enhancing the Company's corporate value and the common interest of its shareholders

As stated in 1. above, the purpose of the Response Policy is to secure the necessary information and time for shareholders to make a decision on whether to respond to the proposed Large-scale Acquisition and for the Board of Directors of the Company to propose an alternative, and to enable the Board to negotiate with the Large-scale Acquirer on behalf of shareholders, in order to maintain and enhance the corporate value of the Group and the common interest of shareholders.

When the procedure prescribed by the Response Policy for such purposes is not followed, or when the procedure prescribed by the Response Policy is followed, but the Large-scale Acquisition is determined to significantly impair the corporate value of the Company and the Group and the common interest of shareholders, as exemplified by the cases listed in 2. (1) 5) (b) above, and it is determined appropriate to invoke countermeasures, the Company may invoke countermeasures. However, as stated in 2. above, such countermeasures are invoked for the purpose of protecting the corporate value of the Group and the common interest of shareholders.

(2) Advance disclosure

The Company discloses the Response Policy in advance in order to increase the predictability for its shareholders and investors and Large-scale Acquirers and to provide shareholders with fair opportunities to choose.

The Company will continue to make timely and appropriate disclosure of necessary matters going forward, in accordance with Laws and Regulations, etc.

(3) Due respect for shareholders' intention

The Board of Directors of the Company has passed a resolution to submit to the Ordinary Shareholders' Meeting a proposal to introduce takeover defense measures under the Response Policy. As stated in 2. (3) above, the effective period of the Response Policy shall, in principle, be through the end of the ordinary general meeting of shareholders pertaining to the last fiscal year among the fiscal years ending within three years after it is approved at the Ordinary Shareholders' Meeting. If the Board of Directors, which consists of Directors elected by the General Meeting of Shareholders of the Company, passes a resolution to

abolish the Response Policy at any time before the expiration of the effective period, the Response Policy shall be abolished immediately.

In addition, if the Large-scale Acquirer is following the procedure prescribed by the Response Policy, the Board of Directors of the Company is always required to convene a General Shareholders' Meeting for Confirming the Shareholders' Will regarding the decision on the invocation of countermeasures. Therefore, the decision to invoke countermeasures will be determined based only on the will of the shareholders at the General Shareholders' Meeting for Confirming the Shareholders' Will. If a Large-scale Acquirer tries to carry out a Large-scale Acquisition without following the procedure prescribed by the Response Policy, the Board of Directors of the Company may invoke countermeasures at its discretion with maximum respect for the opinion of the Independent Committee. This shall occur if the Large-scale Acquirer decides that it will not provide shareholders with opportunities to decide whether or not to agree to the Large-scale Acquisition after careful examination of necessary and sufficient information. We believe that it is unavoidable to invoke countermeasures against such a Large-scale Acquisition that is intended to ignore the will of our shareholders in order to protect the corporate value of the Group and the common interest of shareholders.

For this reason, we make sure that the will of our shareholders is respected to the maximum extent when determining whether to continue the Response Policy.

(4) Ensuring necessity and appropriateness

1) Establishment of an Independent Committee, maximum respect for its recommendations, and thorough information disclosure

As stated in 2. above, in order to prevent the Board of Directors of the Company from making an arbitrary judgment with regard to the invocation of countermeasures, etc., under the Response Policy and to ensure the objectivity and reasonableness of its judgment and responses, the Company has established an Independent Committee whose members consist only of Outside Directors of the Company, Outside Audit & Supervisory Board Members of the Company, or external experts (corporate executives with a strong track record, former government officials, lawyers, certified public accountants, academic experts, or other equivalent persons) who are independent from the management that is responsible for the Company's business execution. The Board of Directors of the Company is required to pass a resolution regarding the invocation of countermeasures with maximum respect for the recommendations of the Independent Committee. The Independent Committee is also

allowed to obtain, at the expense of the Company, advice from external experts who are independent from the management that is responsible for the Company's business execution, in order to ensure that the judgment of the Independent Committee will be made in a manner that contributes to the maintenance and enhancement of the corporate value of the Group and the common interest of shareholders. A resolution of the Independent Committee shall, in principle, be passed by a majority of the votes of the Committee members present, provided that all Committee members are present. However, if any Committee member suffers an accident or if there are other special circumstances, a resolution of the Independent Committee shall be passed by a majority of the votes of the Committee members present, provided that a majority of Committee members are present.

Furthermore, the Company discloses information to its shareholders and investors about the outline of the judgment of the Independent Committee in accordance with Laws and Regulations, etc., as part of the mechanism to ensure transparency in the operation of the Response Policy in order to contribute to the corporate value of the Group and the common interest of shareholders.

2) Setting reasonable and objective requirements for invocation

As stated in 2. above, the Response Policy requires certain reasonable and objective requirements to be satisfied for the invocation of countermeasures in order to prevent them from being invoked arbitrarily by the Board of Directors of the Company.

3) Takeover defense measures that are not of the dead hand or slow hand type

As stated in 2. (3) above, the Response Policy can be abolished at any time by the resolution of the Board of Directors whose members consist of Directors elected by the General Meeting of Shareholders of the Company. Therefore, the Response Policy is not a dead hand-type takeover defense measure (a takeover defense measures whose invocation cannot be prevented even if a majority of the members of the Board of Directors are replaced).

In addition, as the Company has not adopted a staggered term of office system, the Response Policy is not a slow hand-type takeover defense measure (a takeover defense measures whose invocation cannot be prevented quickly because it takes time to replace the members of the Board of Directors).

4. Impact on shareholders and investors

(1) Impact on shareholders and investors upon the introduction of the Response Policy

Stock Acquisition Rights are not issued when the Response Policy is introduced. Therefore, the introduction of the Response Policy does not have any direct and specific impact on the legal rights and economic benefits pertaining to the Company's shares held by our shareholders.

As stated in 2. (1), the Company's response policy differs depending on whether the Large-scale Acquirer follows the Response Policy. Shareholders and investors are advised to pay close attention to the actions of the Large-scale Acquirer.

(2) Impact on shareholders and investors upon the gratis allotment of Stock Acquisition Rights

When the Board of Directors of the Company has decided to invoke countermeasures and carried out a gratis allotment of Stock Acquisition Rights, Stock Acquisition Rights are allotted without consideration to each shareholder recorded in the shareholder register on the day separately determined by the Board of Directors of the Company (hereinafter, "Allotment Date"), at a ratio of up to one Stock Acquisition Right for each share held by the shareholder. This countermeasure dilutes the value per share of the Company's shares held by each shareholder at the time of the gratis allotment of Stock Acquisition Rights, but the total value of the Company's shares held by each shareholder will not be diluted. Therefore, the gratis allotment of Stock Acquisition Rights is not expected to have any direct and specific impact on the legal rights and economic benefits pertaining to the Company's shares held by our shareholders.

However, the invocation of these countermeasures may have an impact on the legal rights and economic benefits of Persons Satisfying the Conditions for Exceptional Treatment.

When the Company carries out a gratis allotment of Stock Acquisition Rights, the value per share of the Company's shares will be diluted. Therefore, after determining the shareholders to whom Stock Acquisition Rights will be allotted without consideration, the price of the Company's shares may fall. The Board of Directors of the Company sets the Allotment Date in consideration of the state of the Large-scale Acquisition or other various circumstances. When the Company has set the Allotment Date, it will disclose it in a timely and appropriate manner.

If the Board of Directors of the Company passes a resolution to carry out a gratis allotment of Stock Acquisition Rights and subsequently decides to suspend the invocation

of countermeasures, the price of the Company's shares may fluctuate in response to these developments. For example, if the Company suspends the invocation of countermeasures after determining the shareholders to whom Stock Acquisition Rights are to be allotted without consideration and does not deliver new shares by acquiring Stock Acquisition Rights without consideration, the economic value per share of the Company's shares held by each shareholder will not be diluted. Therefore, shareholders and investors who have traded the Company's shares based on the assumption that the economic value per share of the Company's shares will be diluted may suffer a loss due to changes in the stock price.

If discriminatory conditions are attached to the exercise or acquisition of Stock Acquisition Rights, the exercise or acquisition by Persons Satisfying the Conditions for Exceptional Treatment is expected to have an impact on their legal rights and economic benefits. In this case, such discriminatory conditions are not expected to have any direct and specific impact either on the legal rights and economic benefits pertaining to the Company's shares held by our shareholders other than Persons Satisfying the Conditions for Exceptional Treatment.

(3) Procedure to be followed by shareholders regarding the gratis allotment of Stock Acquisition Rights

There is no application procedure that should be followed by shareholders recorded in the latest shareholder register on the Allotment Date of Stock Acquisition Rights because they automatically become the holders of Stock Acquisition Rights on the effective date of the gratis allotment of Stock Acquisition Rights.

If a call option is attached to the Stock Acquisition Rights to be allotted without consideration, and the Company acquires the Stock Acquisition Rights, shareholders will receive the Company's shares as consideration for the acquisition of Stock Acquisition Rights by the Company without paying money equivalent to the exercise price of the Stock Acquisition Rights. However, Persons Satisfying the Conditions for Exceptional Treatment may be excluded from the scope of such acquisition or acquire as consideration the same number of other stock acquisition rights subject to certain exercise conditions or call options as the acquired Stock Acquisition Rights. In addition, the Company will disclose the details of the procedure, including the allotment method, the exercise method, the method of acquisition by the Company, and the method of delivery of shares in a timely and appropriate manner, in accordance with applicable Laws and Regulations, etc., after the Board of Directors of the Company passes the resolution regarding the gratis allotment of Stock Acquisition Rights.

Attachment 1

Shareholding Status of the Company's Major Shareholders

(As of March 31, 2025)

Name	Shareholding status	
	Number of shares held (Thousands of shares)	Shareholding ratio (%)
Misuga Kaiun Co., Ltd.	18,806	11.14
Daio Kaiun Co., Ltd.	16,820	9.97
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,666	6.32
Daishi Hokuetsu Bank, Ltd.	8,332	4.94
Company's Agent Stockholding	6,994	4.14
Sumitomo Realty & Development Co., Ltd.	6,066	3.59
Oasis Japan Strategic Fund Ltd. (Standing Proxy: Citibank, N.A., Tokyo Branch)	5,615	3.33
Sompo Japan Insurance Inc.	4,499	2.67
The Norinchukin Bank	3,554	2.11
Oasis Investments II Master Fund Ltd. (Standing Proxy: Citibank, N.A., Tokyo Branch)	3,330	1.97

Notes:

1. The number of shares held is presented by rounding down to the nearest thousand shares.
2. The shareholding ratio above is calculated after deducting the number of treasury shares.

Attachment 2

Outline of the Independent Committee Regulations

1. An Independent Committee shall be established by a resolution of the Board of Directors of the Company for the purpose of preventing the Board of Directors of the Company from making an arbitrary judgment and further increasing the fairness and objectivity of the operation of the Response Policy.
2. The number of Independent Committee members shall be at least three, and they shall be elected by a resolution of the Board of Directors of the Company from among (1) Outside Directors of the Company, (2) Outside Audit & Supervisory Board Members of the Company, and (3) external experts (corporate executives with a strong track record, former government officials, lawyers, certified public accountants, academic experts, or other equivalent persons), who are independent from the management that is responsible for the Company's business execution.
3. The term of office of Independent Committee members shall be through the end of the ordinary general meeting of shareholders pertaining to the last fiscal year among the fiscal years ending within three years from their election.
4. A meeting of the Independent Committee can be convened by each Director or each Independent Committee member.
5. The chairperson of the Independent Committee shall be appointed by mutual election.
6. A resolution of the Independent Committee shall, in principle, be passed by a majority of the votes of the Committee members present, provided that all Committee members are present. However, if any Committee member suffers an accident or if there are other special circumstances, a resolution of the Independent Committee shall be passed by a majority of the votes of the Committee members present, provided that a majority of Committee members are present.
7. The Independent Committee shall deliberate and pass resolutions on the matters listed below and recommend their resolutions to the Board of Directors of the Company by clarifying the reasons therefor;
    (1) Whether countermeasures should be invoked under the Response Policy;
    (2) Suspension of the invocation of countermeasures under the Response Policy;
    (3) Matters regarding which the Independent Committee has been granted authority under the Response Policy other than (1) and (2) above; and

(4) Other matters on which the Board of Directors of the Company or the Representative Director of the Company voluntarily seeks advice from the Independent Committee in relation to the Response Policy.

Each Independent Committee member shall participate and contribute to the discussions and resolutions at the meetings of the Independent Committee solely from the perspective of whether the resolution contributes to the medium- to long-term corporate value of the Group and the common interest of shareholders, and shall not do so for the purpose of seeking their own personal benefits or the personal benefits of the management members of the Company.

8. The Independent Committee may have Directors or employees of the Company or any other persons determined to be necessary attend its meetings and seek their opinions or explanations on any matters required by the Independent Committee.
9. In performing its duties, the Independent Committee may obtain, at the expense of the Company, advice from external experts who are independent from the management that is responsible for the Company's business execution (investment banks, securities companies, financial advisors, certified public accountants, lawyers, consultants, tax accountants, and other experts).

Attachment 3

Names and Career Summaries of the Members of the Independent Committee

Name	Mitsuyasu Iwata	
Career summary	July 1969	Joined the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)
	September 1999	Commissioner, Small and Medium Enterprise Agency
	June 2000	Retired from the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)
	July 2000	Board Member, Japan Bank for International Cooperation
	October 2003	Advisor, The Kansai Electric Power Co., Inc.
	June 2005	Managing Director
	June 2007	Executive Vice President; Director
	June 2009	President; Representative Director, Osaka Small and Medium Business Investment & Consultation Co, Ltd.
	June 2015	Outside Director, the Company (current position)
		Board Chairman, Business Policy Forum, Japan
	July 2015	Board Chairman, Research Institute of Economy, Trade and Industry

Name	Kazuo Nakase	
Career summary	April 1973	Joined Mitsubishi Paper Mills Ltd.
	June 2006	Director, Managing Executive Officer
	June 2008	Director, Senior Managing Executive Officer
	June 2009	Representative Director, Senior Managing Executive Officer; General Manager, Paper Div.; In charge of the Paper Div. and German Operations
	June 2011	President; Chief Executive Officer, Mitsubishi Paper Sales Co., Ltd. (currently Mitsubishi Oji Paper Sales Co., Ltd.)
	June 2015	Advisor
	June 2016	Outside Audit & Supervisory Board Member, the Company
	June 2017	Outside Director (current position)

Name	Hiromitsu Kuramoto	
Career summary	April 1972	Joined Nippon Yusen Kabushiki Kaisha
	June 2001	Director
	June 2003	Director; Managing Corporate Officer
	April 2006	Representative Director; Senior Managing Corporate Officer
	April 2008	Representative Director; Executive Vice-President Corporate Officer
	April 2010	Director
	June 2010	Director; Executive Vice-President Corporate Officer, Yusen Air & Sea Service Co., Ltd. (currently Yusen Logistics Co., Ltd.)
	April 2011	President and Representative Director
	June 2016	Chairman and Representative Director; Chairman, Executive Officer
	April 2017	Chairman; Representative Director
	June 2018	Executive Board Counselor
	June 2021	Outside Director, the Company (current position)

Name	Hiroko Nihei	
Career summary	April 1999	Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)
	March 2008	Retired from Mizuho Bank, Ltd.
	September 2009	Completed the legal apprentice training program, admitted to the bar (Dai-Ichi Tokyo Bar Association)
	October 2009	Joined O'Melveny & Myers LLP, Associate Attorney
	September 2014	Magister Juris, University of Oxford
	January 2016	Counsel Attorney, O'Melveny & Myers LLP (current position)
	March 2019	Master of Advanced Law, LL. M. in Intellectual Property Law, Graduate School of Law, Waseda University
	June 2019	Outside Corporate Auditor, SEED Co., Ltd. (current position)
	January 2020	Supervisory Director, Invesco Office J-REIT, Inc.
	June 2022	Outside Director, the Company (current position)
	March 2023	Audit & Supervisory Board Member (Outside), JUKI Corporation
	March 2025	Outside Director (current position)

Note: Relationship with the Company

- The Company has registered Mr. Mitsuyasu Iwata, Mr. Hiromitsu Kuramoto, Mr. Kazuo Nakase, and Ms. Hiroko Nihei as independent officers with the Tokyo Stock Exchange.
- There is no special relationship between the Company and any of the committee members.

Attachment 4

Outline of Gratis Allotment of Stock Acquisition Rights

1. Total number of Stock Acquisition Rights to be allotted

   The total number of Stock Acquisition Rights to be allotted shall be the number separately determined by the Board of Directors of the Company by its resolution regarding the gratis allotment of Stock Acquisition Rights (hereinafter, "Stock Acquisition Rights Gratis Allotment Resolution") subject to the upper limit equal to the latest total number of issued shares of the Company (excluding the number of the Company's shares currently held by the Company) on a day separately determined by the Board of Directors of the Company by the Stock Acquisition Rights Gratis Allotment Resolution (hereinafter, "Allotment Date").

2. Shareholders to whom Stock Acquisition Rights are to be allotted and the terms and conditions of the allotment

   To all shareholders of the Company's common stock entered or recorded in the latest shareholder register on the Allotment Date (excluding the Company), Stock Acquisition Rights shall be allotted without consideration at the ratio separately determined by the Board of Directors of the Company by the Stock Acquisition Rights Gratis Allotment Resolution, subject to the upper limit that is equal to the ratio of one Stock Acquisition Right for each share of common stock of the Company held by the shareholders (excluding the Company's shares currently held by the Company).

3. Effective date of the gratis allotment of Stock Acquisition Rights

   The effective date shall be the day separately determined by the Board of Directors of the Company by the Stock Acquisition Rights Gratis Allotment Resolution.

4. Class and number of shares to be delivered upon the exercise of Stock Acquisition Rights

   The class of shares to be delivered upon the exercise of Stock Acquisition Rights shall be the Company's common stock, and the number of shares to be delivered upon the exercise of one Stock Acquisition Right shall be the number separately determined by the Board of Directors of the Company according to the Stock Acquisition Rights Gratis Allotment Resolution, subject to the upper limit of one. However, the number shall be adjusted as appropriate if the Company carries out a stock split, a reverse stock split, etc.

5. Description and price of property to be contributed upon the exercise of Stock Acquisition Rights

The type of property to be contributed upon the exercise of Stock Acquisition Right shall be monetary. The amount per share of the Company's common stock of property to be contributed upon the exercise of Stock Acquisition Rights shall be the amount separately determined by the Board of Directors of the Company according to the Stock Acquisition Rights Gratis Allotment Resolution, subject to the lower limit of one yen.

6. Restriction on the transfer of Stock Acquisition Rights

The approval of the Board of Directors of the Company is required for any transfer of Stock Acquisition Rights.

7. Condition for the exercise of Stock Acquisition Rights

The exercise conditions of Stock Acquisition Rights shall be determined separately by the Board of Directors of the Company. The exercise conditions may be determined in consideration of their effectiveness as countermeasures against Large-scale Acquisitions, such as the condition that Stock Acquisition Rights cannot be exercised by certain Large-scale Acquirers and their joint holders and specially related parties who are determined by the Board of Directors of the Company in accordance with a prescribed procedure and those who are determined by the Board of Directors of the Company to be persons who are effectively controlled by them and act in collaboration with them (hereinafter, "Persons Satisfying the Conditions for Exceptional Treatment").

8. Acquisition of Stock Acquisition Rights by the Company

The Company may attach to Stock Acquisition Rights call options in consideration of their effectiveness as countermeasures against Large-scale Acquisitions, such as a call option for the Company to acquire all of the Stock Acquisition Rights or only those Stock Acquisition Rights that are held by shareholders other than Persons Satisfying the Conditions for Exceptional Treatment in accordance with the resolution of the Board of Directors on the condition that certain circumstances have arisen or a certain date separately determined by the Board of Directors of the Company has arrived, or a call option with the condition that the Company can acquire those Stock Acquisition Rights that are held by shareholders other than Persons Satisfying the Conditions for Exceptional Treatment in exchange for the Company's common stock, while Stock Acquisition Rights that are held by Persons Satisfying the Conditions for Exceptional Treatment can be acquired in exchange for different stock acquisition rights that are subject to certain exercise conditions or call options.

9. Acquisition without consideration in the case of a suspension of the invocation of countermeasures

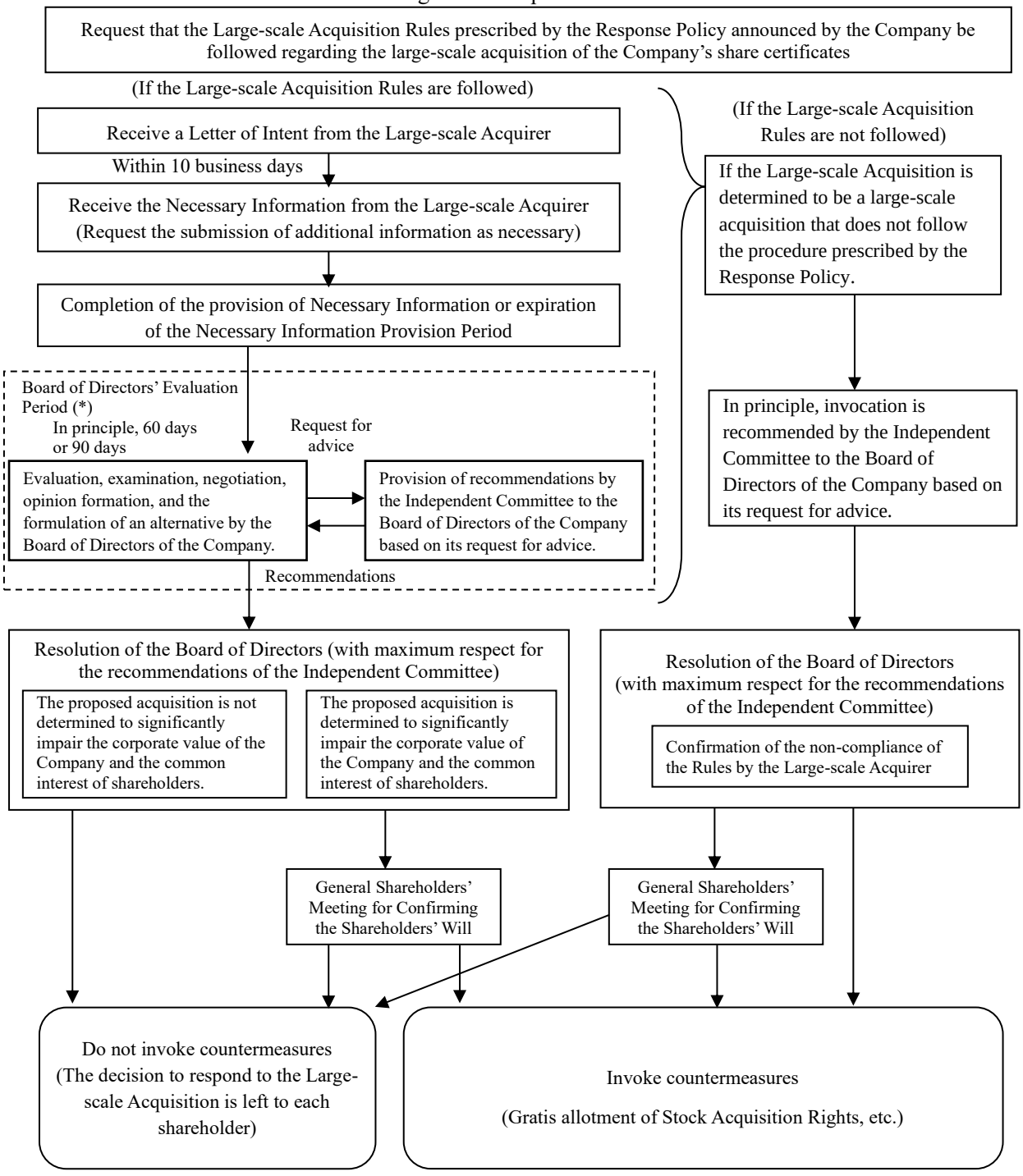
If the Board of Directors of the Company has suspended the invocation of countermeasures or in other cases determined separately by the Board of Directors of the Company according to the Stock Acquisition Rights Gratis Allotment Resolution, the Company may acquire all of the Stock Acquisition Rights without consideration.

10. Exercise period and other terms and conditions of Stock Acquisition Rights

The exercise period of Stock Acquisition Rights or any other necessary matters shall be separately determined by the Board of Directors of the Company according to the Stock Acquisition Rights Gratis Allotment Resolution.

(Reference Material)

< Large-scale Acquisition Rules >



(*) Board of Directors' Evaluation Period is set to 60 days (not counting the first day) in the case of a takeover bid targeting all of the Company's share certificates for consideration only in the form of cash (in yen), and 90 days (not counting the first day) in the case of all other Large-scale Acquisitions. The Board of Directors of the Company may extend the Board of Directors' Evaluation Period by up to 30 days (not counting the first day). (This applies also to any further extension, which is permitted only once.)