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Stock Exchange Code 9119  
May 30, 2025

**To Shareholders with Voting Rights:**

Yusuke Otani  
President and Representative Director  
IINO KAIUN KAISHA, LTD.  
2-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo

## **NOTICE OF THE 134th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We are pleased to announce that the 134th Annual General Meeting of Shareholders of IINO KAIUN KAISHA, LTD. (the “Company”) will be held for the purposes as described below.

If you do not attend the meeting, you can exercise your voting rights via the Internet, etc. or by mail. Please exercise your voting rights by 5:00 p.m. on Wednesday, June 25, 2025, Japan time. (Please refer to pages 5-6 for instructions on how to exercise your voting rights via the Internet, etc. or by mail [available only in Japanese].)

**1. Date and Time:** Thursday, June 26, 2025 at 10:00 a.m. Japan time

**2. Place:** IINO Hall (IINO Building, 4F)  
2-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 134th Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 134th Fiscal Year (April 1, 2024 - March 31, 2025)

**Proposals to be resolved:**

- Proposal 1:** Distribution of Surplus  
**Proposal 2:** Election of 8 Directors  
**Proposal 3:** Election of 1 Auditor  
**Proposal 4:** Approval of the Response Policies to Large-Scale Purchases of the Company’s Share Certificates, Etc. (Takeover Response Policies)

End

**Matters to be decided at the convocation**

- ◆ If you do not indicate your approval or disapproval of a proposal on the Voting Rights Exercise Form, it will be treated as if you have indicated your approval.
- ◆ If you exercise your voting rights both via the Internet, etc. and by mail, the vote exercised via the Internet, etc. will be deemed valid. If you exercise your voting rights more than once via the Internet, etc., your last vote will be treated as valid.

## Regarding electronic provision measures

In convening this year's General Meeting of Shareholders, the Company has taken electronic provision measures and posted the matters subject to electronic provision measures on the following websites:

[Company website]  
<https://www.iino.co.jp/kaiun/english/ir/stock/meeting.html>

[Tokyo Stock Exchange website]  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>  
Please access the above website, enter "IINO KAIUN" in the "Issue name (company name)" field or the Company's stock exchange code "9119" in the "Code" field to run a search, and select "Basic information" and then "Documents for public inspection/PR information" to view the matters subject to electronic provision measures in the section of "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting" under "Filed information available for public inspection."

- ◆ For this year's General Meeting of Shareholders, we will uniformly send all shareholders the paper copy containing the matters subject to electronic provision measures, regardless of whether or not it has been requested. The following items, however, are not provided in the paper copy sent to shareholders who have requested its delivery in accordance with laws and regulations and the Company's Articles of Incorporation. The Board of Auditors and the Accounting Auditor have audited the documents subject to audit, including the following items.
  - i. "Matters Concerning Stock Acquisition Rights of the Company," "Status of Accounting Auditor," "Basic Policy regarding Persons Controlling the Company's Decisions concerning Financial and Business Policies" and "Systems to Ensure the Appropriateness of Operations" in the Business Report
  - ii. "Consolidated Statement of Change in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
  - iii. "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial StatementsThe paper copy is a portion of the documents audited by Auditors and the Accounting Auditor in the preparation of their audit reports.
- ◆ If there are any revisions to the matters subject to electronic provision measures, we will make an announcement to that effect and post the information on how the matters have been revised on the websites of the Company and TSE.

## Other information

- ◆ Proceedings on the day of the General Meeting of Shareholders will be carried out in Japanese. You can be accompanied by an interpreter (including a sign language interpreter). If you need to be accompanied by the interpreter, please inform the reception desk on the day of the meeting.
- ◆ If you use a wheelchair or need the information support for a hearing-impaired person, please contact us via the inquiry desk on our website (<https://www.iino.co.jp/kaiun/english/contact/form/>) or in writing (please send your request to the person in charge of the General Meeting of Shareholders) no later than Thursday, June 19, 2025 for preparation. Regarding the information support for the hearing-impaired person, please kindly note in advance that we do not guarantee the accuracy of all information.
- ◆ Please be advised that we will not distribute gifts to shareholders attending this year's meeting.
- ◆ If there are any significant changes in the operation of this year's General Meeting of Shareholders, we will notify you on our website.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Distribution of Surplus

The Company proposes a distribution of surplus as follows.

#### Items Related to the Year-end Dividend

The Company has positioned shareholder return as a priority management issue. In order to maintain stable dividends from a long-term perspective and increase the linkage between dividend amounts and profit growth, while also striving to enhance shareholder value by making new investments for the Company's sustained growth, the Company has made it its basic policy to maintain dividends with the target dividend payout ratio of 30% to the consolidated business results.

Based on the basic policy mentioned above, the Company proposes a year-end dividend of 28 yen per share and a special dividend of 5 yen per share for the fiscal year under review, totaling 33 yen per share. As a result, the annual dividend for the fiscal year under review will be 58 yen per share, including the interim dividend of 25 yen per share.

(1) Type of dividend property  
Cash

(2) Items related to the allocation of dividend property and its total amount  
33 yen per share of common stock in the Company  
Total of 3,491,500,947 yen

(3) Date the distribution of surplus comes into effect  
June 27, 2025

**Proposal 2:** Election of 8 Directors

The terms of office of 8 Directors, Yusuke Otani, Osamu Fushida, Seiichi Fujimura, Yuji Yasuki, Mari Miyoshi, Tomonori Nonomura, Shizuyo Takahashi and Takeshi Himeno, will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed.

The candidates for Director are as follows.

For shareholders' reference, the "Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors" are provided.

No.	Name	Gender	Current positions at the Company	Candidate attributes
1	Yusuke Otani	Male	President and Representative Director President Executive Officer	<u>Reappointment</u>
2	Osamu Fushida	Male	Director Managing Executive Officer	<u>Reappointment</u>
3	Seiichi Fujimura	Male	Director Executive Officer	<u>Reappointment</u>
4	Yuji Yasuki	Male	Director Executive Officer	<u>Reappointment</u>
5	Mari Miyoshi	Female	Outside Director	<u>Reappointment</u> <u>Independent</u> <u>Outside</u>
6	Tomonori Nonomura	Male	Outside Director	<u>Reappointment</u> <u>Independent</u> <u>Outside</u>
7	Shizuyo Takahashi	Female	Outside Director	<u>Reappointment</u> <u>Independent</u> <u>Outside</u>
8	Takeshi Himeno	Male	Outside Director	<u>Reappointment</u> <u>Independent</u> <u>Outside</u>

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<div>Reappointment</div> <p>Yusuke Otani (September 16, 1967) Male</p> <p>[Attendance at the Board of Directors meetings] 100% (23 out of 23 meetings)</p>	<p>April 1991      Joined the Company</p> <p>June 2010      Manager, Sales Group of IINO Gas Transport Co., Ltd.</p> <p>June 2012      Manager, Gas Carrier Group of the Company</p> <p>June 2014      Representative, Dubai Representative Office</p> <p>June 2016      General Manager of Corporate Planning &amp; General Affairs Department</p> <p>June 2017      General Manager of Corporate Planning Department and Business Development Department</p> <p>June 2018      Executive Officer; Commission of General Manager of Corporate Planning Department</p> <p>June 2019      Executive Officer; in charge of Office Leasing &amp; Operation Department and Property Development Planning Department</p> <p>June 2020      Director; Executive Officer; in charge of Office Leasing &amp; Operation Department and Property Development Planning Department</p> <p>June 2021      Director; Managing Executive Officer; in charge of Corporate Planning Department, Business Administration Department and Stakeholder Relations Department</p> <p>June 2022      Director; Managing Executive Officer; in charge of Corporate Planning Department, Stakeholder Relations Department and Sustainability Promotion Department; Management of Business Administration Department</p> <p>April 2023      President and Representative Director; President Executive Officer (to present)</p> <p>&lt;Significant concurrent positions&gt; None</p>	39,200
<p>[Reason for nomination as candidate]</p> <p>Mr. Yusuke Otani has abundant knowledge and experience in the gas carrier division, general affairs &amp; planning division, and property business division. Serving as President and Representative Director and President Executive Officer of the Company since April 2023, he has decided on important management matters and supervised business execution, and is striving to strengthen corporate governance of the Company. The Company has judged that the knowledge he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	<p><u>Reappointment</u></p> <p>Osamu Fushida (August 4, 1967) Male</p> <p>[Attendance at the Board of Directors meetings] 100% (23 out of 23 meetings)]</p>	<p>April 1991      Joined the Company</p> <p>January 2013    Seconded to IINO Singapore Pte. Ltd.</p> <p>June 2014      Seconded to IINO Singapore Pte. Ltd.; concurrently General Manager of Chemical Tanker Department No. 2, the Company</p> <p>June 2016      General Manager of Chemical Tanker Department No. 1</p> <p>June 2019      General Manager of Finance &amp; Accounting Department</p> <p>June 2020      Executive Officer; in charge of Finance &amp; Accounting Department; Commission of General Manager of Finance &amp; Accounting Department</p> <p>June 2023      Director; Executive Officer; in charge of Corporate Planning Department and Finance &amp; Accounting Department; Commission of General Manager of Finance &amp; Accounting Department; Management of DX Promotion Department</p> <p>June 2024      Director; Managing Executive Officer; in charge of Corporate Planning Department and Finance &amp; Accounting Department; Management of Human Resources Department, Business Administration Department, Office Leasing &amp; Operation Department and Property Development Planning Department (to present)</p> <p>&lt;Responsibilities in the Company&gt; In charge of Corporate Planning Department and Finance &amp; Accounting Department Management of Human Resources Department, Business Administration Department, Office Leasing &amp; Operation Department and Property Development Planning Department</p> <p>&lt;Significant concurrent positions&gt; None</p>	17,600
<p>[Reason for nomination as candidate] Mr. Osamu Fushida has abundant knowledge and experience in the chemical tanker division and accounting division. Having served as Director and Managing Executive Officer of the Company since June 2024, he has decided on important management matters and supervised business execution, and is striving to strengthen corporate governance of the Company. The Company has judged that the knowledge he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p><u>Reappointment</u></p> <p>Seiichi Fujimura (October 28, 1965) Male</p> <p>[Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)</p> <p>* The above data is based on attendance since his appointment as Director.</p>	<p>June 1988      Joined the Company</p> <p>July 2003      Seconded to Fairfield Chemical Carriers Inc.</p> <p>June 2010      Manager, Marine Transport Business Group I of the Company</p> <p>June 2012      Manager, Oil Tanker Group</p> <p>June 2014      General Manager of Chemical Tanker Department No. 1</p> <p>June 2016      Director of IINO Singapore Pte. Ltd.; General Manager of Chemical Tanker Department No. 2</p> <p>June 2018      Executive Officer; in charge of Chemical Tanker Department No. 1 and Chemical Tanker Department No. 2; Commission of General Manager of Chemical Tanker Department No. 2; Managing Director, IINO Singapore Pte. Ltd.</p> <p>June 2024      Director; Executive Officer; in charge of Chemical Tanker Department No. 1 and Chemical Tanker Department No. 2; Management of Oil Tanker Department, Gas Carrier Department No. 1, Gas Carrier Department No. 2 and Dry Bulk Carrier Department; Managing Director, IINO Singapore Pte. Ltd. (to present)</p> <p>&lt;Responsibilities in the Company&gt; In charge of Chemical Tanker Department No. 1 and Chemical Tanker Department No. 2 Management of Oil Tanker Department, Gas Carrier Department No. 1, Gas Carrier Department No. 2 and Dry Bulk Carrier Department Managing Director, IINO Singapore Pte. Ltd.</p> <p>&lt;Significant concurrent positions&gt; Managing Director, IINO Singapore Pte. Ltd.</p>	19,400
<p>[Reason for nomination as candidate] Mr. Seiichi Fujimura has abundant knowledge and experience in the chemical tanker division. Having served as Director and Executive Officer of the Company since June 2024, he has further strengthened the sales capabilities of the Group. The Company has judged that the knowledge he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
4	<p><u>Reappointment</u></p> <p>Yuji Yasuki (February 4, 1970) Male</p> <p>[Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)</p> <p>* The above data is based on attendance since his appointment as Director.</p>	<p>April 1993 July 2006 June 2017 June 2019 June 2023 June 2024</p>	<p>Joined the Company</p> <p>Seconded to IINO Singapore Pte. Ltd.</p> <p>General Manager of Business Administration Department, the Company</p> <p>Manager of the Corporate Audit Office</p> <p>Executive Officer; in charge of Sustainability Promotion Department, Business Strategy Department and DX Promotion Department; Commission of General Manager of Sustainability Promotion Department, General Manager of Business Strategy Department and General Manager of DX Promotion Department</p> <p>Director; Executive Officer; in charge of Sustainability Promotion Department, Business Strategy Department and DX Promotion Department; Commission of General Manager of Sustainability Promotion Department, General Manager of Business Strategy Department and General Manager of DX Promotion Department (to present)</p> <p>&lt;Responsibilities in the Company&gt; In charge of Sustainability Promotion Department, Business Strategy Department and DX Promotion Department Commission of General Manager of Sustainability Promotion Department, General Manager of Business Strategy Department and General Manager of DX Promotion Department</p> <p>&lt;Significant concurrent positions&gt; None</p>	11,900
<p>[Reason for nomination as candidate]</p> <p>Mr. Yuji Yasuki has abundant knowledge and experience in the general affairs &amp; planning division, public relations &amp; IR division, and the Corporate Audit Office. He has served as Director and Executive Officer of the Company since June 2024. The Company has judged that the knowledge he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>				



No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<div> <div> Reappointment Independent Outside </div> <div> Mari Miyoshi (March 16, 1958) Female   [Attendance at the Board of Directors meetings] 100% (23 out of 23 meetings) </div> </div>	<div> April 1980 August 2006 August 2008 April 2012 January 2014 October 2015 August 2019   March 2021 June 2021 June 2022 </div> <div> Joined the Ministry of Foreign Affairs Minister, Permanent Mission of Japan to the United Nations Minister, Embassy of Japan in Germany Director-General, Sendai (Tohoku) Regional Immigration Bureau, Ministry of Justice Director-General, Consular Affairs Bureau, Ministry of Foreign Affairs Ambassador Extraordinary and Plenipotentiary to Ireland Ambassador Extraordinary and Plenipotentiary (in charge of International Cooperation for Countering Terrorism and International Organized Crime, and in charge of Arctic Affairs) Retired from the Ministry of Foreign Affairs Outside Auditor, the Company Outside Director, the Company (to present) </div> <div> &lt;Significant concurrent positions&gt;  Councilor, The Japan Foundation for the United Nations University  Councilor, Tsuda University </div>	2,500
[Reason for nomination as Outside Director candidate and expected role] Ms. Mari Miyoshi has abundant knowledge and experience that she has cultivated through her many years of service as a diplomat. After taking office as Outside Auditor of the Company at the 130th Annual General Meeting of Shareholders held in June 2021, she became Outside Director of the Company at the 131st Annual General Meeting of Shareholders held in June 2022. During her appointment as Outside Auditor, she provided appropriate oversight of Directors' execution of duties, and after becoming Outside Director, she has been providing appropriate advice for management of the Company from various aspects and exercising management oversight from an independent standpoint. Considering this, the Company believes that as Outside Director, Ms. Miyoshi will be able to continue to appropriately perform the role of offering opinions from an objective standpoint on management decisions and providing oversight of Directors' performance of duties, especially in the areas of ESG management and global strategy, and thus proposes her election as Outside Director.			
6	<div> <div> Reappointment Independent Outside </div> <div> Tomonori Nonomura (March 21, 1958) Male   [Attendance at the Board of Directors meetings] 100% (23 out of 23 meetings) </div> </div>	<div> April 1981 June 2009 June 2013 June 2018 June 2021 March 2023 June 2023 </div> <div> Joined Sumitomo Cement Co., Ltd. (currently, Sumitomo Osaka Cement Co., Ltd.) General Manager of Legal Department, Sumitomo Osaka Cement Co., Ltd. Executive Officer, General Manager of Corporate Planning Department and General Manager of Administration Department, Sumitomo Osaka Cement Co., Ltd. Representative Director and President, SOC Logistics Co., Ltd. Director and Advisor, SOC Logistics Co., Ltd. Retired from office of Director and Advisor of SOC Logistics Co., Ltd. Outside Director, the Company (to present) </div> <div> &lt;Significant concurrent positions&gt;  None </div>	800
[Reason for nomination as Outside Director candidate and expected role] Mr. Tomonori Nonomura has abundant knowledge and experience that he has cultivated as a legal officer of a listed company and a corporate manager. Having served as Outside Director of the Company since June 2023, he has been providing appropriate advice for management of the Company from various aspects and exercising management oversight from an independent standpoint. Considering this, the Company believes that as Outside Director, Mr. Nonomura will be able to continue to appropriately perform the role of offering opinions from an objective standpoint on management decisions and providing oversight of Directors' performance of duties, especially in the areas of legal affairs/risk management and business strategy/marketing, and thus proposes his election as Outside Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	<div> <div>Reappointment</div> <div>Independent</div> <div>Outside</div> </div> <p>Shizuyo Takahashi (February 24, 1962) Female</p> <p>[Attendance at the Board of Directors meetings] 96% (22 out of 23 meetings)</p>	<p>April 1984      Joined Tokyo Branch, The Chase Manhattan Bank (currently, JPMorgan Chase Bank, N.A.)</p> <p>December 1990      Joined Chuo Coopers &amp; Lybrand Consulting Co., Ltd.</p> <p>October 1994      Joined Future System Consulting Corp. (currently, Future Architect, Inc.)</p> <p>April 2004      Executive Officer, General Manager of Business Division, Future System Consulting Corp.</p> <p>April 2008      Executive Officer, General Manager of Human Resources Headquarters, Future Architect, Inc.</p> <p>January 2016      Joined Business Brain Showa-Ota Inc.</p> <p>July 2017      Joined WELLNET CORPORATION</p> <p>September 2017      Director, WELLNET CORPORATION</p> <p>July 2020      Outside Director, baby calendar Inc. (to present)</p> <p>April 2023      Outside Director, Computer Engineering &amp; Consulting Ltd. (to present)</p> <p>June 2023      Outside Director, the Company (to present)</p> <p>&lt;Significant concurrent positions&gt; Outside Director, baby calendar Inc. Outside Director, Computer Engineering &amp; Consulting Ltd.</p>	800
<p>[Reason for nomination as Outside Director candidate and expected role]</p> <p>Ms. Shizuyo Takahashi has abundant knowledge and experience that she has cultivated as a consultant with strengths in both business operations and IT and a director of business operating companies. Having served as Outside Director of the Company since June 2023, she has been providing appropriate advice for management of the Company from various aspects and exercising management oversight from an independent standpoint.</p> <p>Considering this, the Company believes that as Outside Director, Ms. Takahashi will be able to continue to appropriately perform the role of offering opinions from an objective standpoint on management decisions and providing oversight of Directors' performance of duties, especially in the matters of finance/accounting and human resources/labor affairs, and thus proposes her election as Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	<div>Reappointment</div> <div>Independent</div> <div>Outside</div> <p>Takeshi Himeno (August 19, 1958) Male</p> <p>[Attendance at the Board of Directors meetings] 100% (14 out of 14 meetings)</p> <p>* The above data is based on attendance since his appointment as Director.</p>	<p>April 1987      Joined Asahi Chemical Industry Co., Ltd. (currently, Asahi Kasei Corp.)</p> <p>October 1988      Dispatched to Sapporo Medical University (two [2] years)</p> <p>July 2006      General Manager of Development Promotion Department, Clinical Development Center, Asahi Kasei Pharma Corp.</p> <p>April 2011      Director of Pharmaceutical Research Center, Asahi Kasei Pharma Corp.</p> <p>April 2013      Director of Pharmaceutical Affairs and Reliability Assurance Center, Asahi Kasei Pharma Corp.</p> <p>April 2014      Director of Healthcare Corporate Research &amp; Development Center, Corporate Research &amp; Development Division, Asahi Kasei Corp.</p> <p>April 2015      Executive Officer, Asahi Kasei Corp.</p> <p>April 2016      Director, Managing Executive Officer and General Manager of Medical Product Development Division, Asahi Kasei Medical Co., Ltd.</p> <p>April 2017      Representative Director and President, Asahi Kasei Medical Co., Ltd.</p> <p>April 2019      Senior Executive Officer in charge of Quality Assurance, Asahi Kasei Corp.</p> <p>April 2022      Advisor, Asahi Kasei Corp. (to present)</p> <p>June 2024      Outside Director, the Company (to present)</p> <p>&lt;Significant concurrent positions&gt; Advisor, Asahi Kasei Corp.</p>	300
<p>[Reason for nomination as Outside Director candidate and expected role]</p> <p>Mr. Takeshi Himeno has abundant knowledge and experience that he has cultivated as a corporate manager. Having served as Outside Director of the Company since June 2024, he has been providing appropriate advice for management of the Company from various aspects and exercising management oversight from an independent standpoint. Considering this, the Company believes that as Outside Director, Mr. Himeno will be able to continue to appropriately perform the role of offering opinions from an objective standpoint on management decisions and providing oversight of Directors' performance of duties, especially in the matters of corporate management and technology/DX, and thus proposes his election as Outside Director.</p>			

(Notes)

1. There are no special interests between each candidate and the Company.
2. Ms. Mari Miyoshi, Mr. Tomonori Nonomura, Ms. Shizuyo Takahashi and Mr. Takeshi Himeno are candidates for Outside Director. The Company has notified Tokyo Stock Exchange, Inc. of the appointments of Ms. Mari Miyoshi, Mr. Tomonori Nonomura, Ms. Shizuyo Takahashi and Mr. Takeshi Himeno as independent directors. If they are reelected, they are to continue serving as independent directors.
3. Ms. Mari Miyoshi, Mr. Tomonori Nonomura, Ms. Shizuyo Takahashi and Mr. Takeshi Himeno have entered into agreements with the Company in accordance with Article 427, Paragraph 1 of the Companies Act to limit their liability to the amount stipulated in laws and regulations, provided they have executed their duties in good faith and without gross negligence. If Ms. Mari Miyoshi, Mr. Tomonori Nonomura, Ms. Shizuyo Takahashi and Mr. Takeshi Himeno are elected, the Company plans to continue the liability limitation agreements with them.
4. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that may arise when the insured Director assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. However, there are certain exclusions, such as no coverage for damages arising from gross negligence or willful misconduct. If the candidates are reappointed as Director, each of them will be the insured under the insurance policy, which is to be renewed during their terms of office.
5. The Company has entered into an indemnification agreement with each of Directors as provided for in Article 430-2, Paragraph 1 of the Companies Act, under which the Company shall indemnify them for the expenses provided for in item (1) of said paragraph and the loss provided for in item (2) of said paragraph to the extent provided for under laws and regulations; provided, however, that the indemnification agreement has provisos to ensure that the indemnification does not demotivate the indemnified Director to appropriately execute his or her duties, such as the provision that the indemnification does not cover expenses or loss arising from malice or gross negligence of the indemnified Director in the execution of his or her duties. If Mr. Yusuke Otani, Mr. Osamu Fushida, Mr. Seiichi Fujimura, Mr. Yuji Yasuki,

Ms. Mari Miyoshi, Mr. Tomonori Nonomura, Ms. Shizuyo Takahashi and Mr. Takeshi Himeno are elected, the Company plans to continue the indemnification agreement with them.

6. Ms. Mari Miyoshi is currently an Outside Director of the Company, and her term of office as Outside Director will be three (3) years at the conclusion of this year's Annual General Meeting of Shareholders. Mr. Tomonori Nonomura and Ms. Shizuyo Takahashi are currently Outside Directors of the Company, and their terms of office as Outside Directors will be two (2) years at the conclusion of the year's Annual General Meeting of Shareholders. Mr. Takeshi Himeno is currently an Outside Director of the Company, and his term of office as Outside Director will be one (1) year at the conclusion of this year's Annual General Meeting of Shareholders.
7. If Mr. Tomonori Nonomura and Mr. Takeshi Himeno are elected and Proposal 4, "Approval of Response Measures to Large-Scale Purchases of the Company Shares (Countermeasures against Takeover)," is approved, the Company plans to elect them as members of the Special Committee based on countermeasures against takeover.

## (Reference) Specialty and Experience of Director Candidates

Skill Matrix of the Company:

In implementing the priority strategies and business foundation strategies in the Mid-term Management Plan for FY2023-2025, the Nomination and Remuneration Committee discussed and selected the below eight skills as “skills (knowledge, experience, and abilities) that the Board of Directors should possess.”

The below table does not list all of the experience and skills of each individual. The skills that are expected from each Director and valued are marked with a circle.

The Board of Directors of the Company shall be an organization that is equipped with the eight skills as a whole, and will practice appropriate management supervision.

	Year of appointment as Director or Auditor	Corporate management	Business strategy / Marketing	Finance / Accounting	Technology / DX	Legal affairs / Risk management	Human resources / Labor affairs	ESG management	Global strategy
<b>Yusuke Otani</b>	2020	●	●			●		●	●
<b>Osamu Fushida</b>	2023	●		●		●	●		
<b>Seiichi Fujimura</b>	2024		●					●	●
<b>Yuji Yasuki</b>	2024		●		●			●	
Independent /Outside <b>Mari Miyoshi</b>	2021							●	●
Independent /Outside <b>Tomonori Nonomura</b>	2023		●			●			
Independent /Outside <b>Shizuyo Takahashi</b>	2023			●			●		
Independent /Outside <b>Takeshi Himeno</b>	2024	●			●				

The reasons for selecting the above skills and their definitions are as follows:

Corporate management	The Company is expanding its business globally. To create both economic value and social value by executing the priority strategies set forth in the Mid-term Management Plan, and to realize the corporate philosophy and perpetual corporate development, officers with management experience at corporations are required.
Business strategy / Marketing	To expand business globally, develop new customers, and accurately respond to diversifying customer needs, officers equipped with experience and know-how in sales strategic planning and marketing are required.
Finance / Accounting	The Mid-term Management Plan calls for the implementation of business portfolio management. To pursue management with greater focus on capital costs, officers with knowledge and experience in finance and accounting are required.
Technology / DX	The implementation of digital transformation (DX) is part of the business foundation strategies in the Mid-term Management Plan. The use of IT is essential to strengthen the management foundation, enhance cost competitiveness, and execute priority strategies. Therefore, officers equipped with knowledge and experience in IT and DX are required.
Legal affairs / Risk management	As the Company is expanding its business globally, it needs officers who have knowledge and experience of legal systems and various regulations in and outside Japan and are capable of appropriately assessing risks and leading prevention measures and countermeasures.
Human resources / Labor affairs	To maximize corporate value by improving employee engagement through the implementation of human resource strategies, such as securing diverse human resources, officers equipped with knowledge and experience in personnel and labor affairs (or human resources development) are needed.

ESG management	The Company has identified that response to the environment and human rights, the enhancement of governance, etc. are its materiality issues and set social value creation as part of priority strategies in the Mid-term Management Plan. Therefore, officers equipped with knowledge and experience in these fields are required.
Global strategy	As the Company is expanding its business globally, to implement the expansion of global business, which is one of the priority strategies in the Mid-term Management Plan, officers equipped with overseas work experience as well as knowledge and experience of overseas business practices are required.

**Proposal 3: Election of 1 Auditor**

At the conclusion of this year's Annual General Meeting of Shareholders, Auditor Tomoshige Jingu will resign from his position. Accordingly, the election of 1 Auditor is proposed.

The Board of Auditors has already given its approval to submission of this proposal.

The candidate for Auditor is as follows.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
1	<div>New appointment</div> <p>Norikazu Shimizu (May 17, 1966) Male</p>	<p>April 1989      Joined the Company September 2001      Seconded to IINO Management Data Processing Co., Ltd. June 2014      Leader, Accounting Group No. 2, IINO Management Data Processing Co., Ltd. June 2018      Managing Director, IINO Management Data Processing Co., Ltd. June 2023      President and Director, IINO Management Data Processing Co., Ltd. (to present)</p> <p>&lt;Significant concurrent positions&gt; President and Director, IINO Management Data Processing Co., Ltd. (Note) He is scheduled to retire from office at the conclusion of the General Meeting of Shareholders to be held in June 2025.</p>	4,100
<p>[Reason for nomination as candidate] Mr. Norikazu Shimizu has abundant experience and knowledge in the finance &amp; accounting division of the Company. Since June 2023, he has served as President and Director of IINO Management Data Processing Co., Ltd., the affiliate that supervises the Company's accounting division, and manages the accounting of the Group. The Company has judged that Mr. Shimizu will be able to appropriately perform duties as Auditor, and therefore proposes his election as Auditor.</p>			

(Notes)

1. There are no special interests between the candidate and the Company.
2. If this proposal is approved and Mr. Norikazu Shimizu takes office as Auditor, the Company plans to enter into an agreement with him in accordance with Article 427, Paragraph 1 of the Companies Act to limit his liability to the amount stipulated in laws and regulations, provided he has executed his duties in good faith and without gross negligence.
3. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages that may arise when the insured Auditor assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. However, there are certain exclusions, such as no coverage for damages arising from gross negligence or willful misconduct. Mr. Norikazu Shimizu is insured under the said insurance policy as Director of IINO Management Data Processing Co., Ltd. If he is appointed as Auditor, he will continue to be insured under the insurance policy, which is to be renewed during his term of office.
4. The Company has entered into an indemnification agreement with each of Auditors as provided for in Article 430-2, Paragraph 1 of the Companies Act, under which the Company shall indemnify them for the expenses provided for in item (1) of said paragraph and the loss provided for in item (2) of said paragraph to the extent provided for under laws and regulations; provided, however, that the indemnification agreement has provisos to ensure that the indemnification does not demotivate the indemnified Auditor to appropriately execute his or her duties, such as the provision that the indemnification does not cover expenses or loss arising from malice or gross negligence of the indemnified Director or Auditor in the execution of his or her duties. If Mr. Norikazu Shimizu takes office as Auditor, the Company plans to enter into the indemnification agreement with him.

**(Reference) Specialty and Experience of Auditor Candidate**

Global strategy	ESG management	Human resources / Labor affairs	Legal affairs / Risk management	Technology / DX	Finance / Accounting	Business strategy / Marketing	Corporate management	Year of appointment as Director or Auditor
		●		●	●			New appointment
								Norikazu Shimizu

**(Reference) Specialty and Experience of Auditors**

Global strategy	ESG management	Human resources / Labor affairs	Legal affairs / Risk management	Technology / DX	Finance / Accounting	Business strategy / Marketing	Corporate management	Year of appointment as Director or Auditor
	●	●			●			Yoshinori Hashimura
					●	●		Independent /Outside Kenkichi Fukuda
		●	●					Independent /Outside Yudai Miyake

Please refer to the notes on the table of “Specialty and Experience of Director Candidates” on page 14 for the Company’s approach to the skill matrix.

Auditors Mr. Yoshinori Hashimura, Mr. Kenkichi Fukuda and Mr. Yudai Miyake are listed here for reference, although they are not subject to election at this year’s General Meeting of Shareholders.



(Reference)

## **Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors**

### **[Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors]**

These criteria are to determine the independence of candidates for outside director and outside auditor (hereinafter collectively referred as “Outside Officers”) of the Company, and also set forth the qualities required of candidates.

#### **(Outside Directors)**

As candidates for outside director, the Company shall nominate persons who satisfy the requirements for outside directors set forth in the Companies Act; are of outstanding character; are knowledgeable, capable and possess abundant experience; are able to appropriately fulfill the duties of outside directors; hold constructive opinions; and are expected to contribute to further growth of the Company, and the Company shall give consideration to ensuring a balance of knowledge, experience, and abilities and the diversity of the Board of Directors as a whole.

#### **(Outside Auditors)**

As candidates for outside auditor, the Company shall nominate persons who satisfy the requirements for outside auditors set forth in the Companies Act; are of outstanding character; are knowledgeable, capable and possess abundant experience; and are able to appropriately fulfill the duties of outside auditors, and the Company shall give consideration to ensuring that persons with appropriate knowledge of finance and accounting are included.

#### **(Criteria for Determining the Independence of Outside Officers)**

In the Company’s judgment, a person to whom none of the following items applies satisfies the independence criteria for an Outside Officer, or candidates for Outside Officer.

1. A business executor of the Company or a subsidiary of the Company (Note 1)
2. A person for whom the Company is a major business partner (Note 2) or a business executor thereof
3. A major business partner of the Company (Note 3) or a business executor thereof
4. A current major shareholder of the Company (a person who directly or indirectly holds 10% or more of total voting rights) or a business executor thereof
5. A person who undertakes audits of the Company as the Company’s accounting auditor or an employee etc. thereof
6. A consultant or accounting, legal, tax, or other professional receiving a significant amount (Note 4) of money or other assets from the Company other than executive remuneration. When such person is an organization such as a corporation or association, this includes a person belonging to such organization.
7. A person who receives a significant amount (Note 4) of donations or aid from the Company. When such person is an organization such as a corporation or association, this includes a director or business executor thereof.
8. When an executive officer or standing auditor of the Company concurrently serves as an outside director or outside auditor of another company, a person who is an executive director, operating officer, or executive officer of such other company
9. A person who fell under 1 to 8 above during the past three years (Note 5)
10. A person falling under 1 to 9 above or, in the case of determining the independence of an outside auditor, a spouse or relative within the second degree of kinship of an important person falling under any of the following items (Note 6)
  - (a) An accounting advisor of the Company (if such accounting advisor is a corporation, including an employee who executes the corporation’s duties; the same below)
  - (b) A director or accounting advisor who is not a business executor of a subsidiary of the Company
  - (c) A person who fell under (a) or (b) above or who during the past three years has been a director who was not a business executor of the Company

(Note 1) “Business executor” means an executive director, operating officer, executive officer, or other equivalent person or an employee.

(Note 2) “Person for whom the Company is a major business partner” means a person receiving from the

Company payments in an amount equivalent to at least 2% of annual consolidated sales in the business partner's most recent fiscal year.

(Note 3) "Major business partner of the Company" means a person who has made payments to the Company in an amount equivalent to at least 2% of the Company's annual consolidated sales in the most recent fiscal year or who has made loans to the Company in an amount equivalent to at least 2% of the Company's consolidated net assets in the most recent fiscal year.

(Note 4) "Significant amount" of money means financial assets received from the Company of 10 million yen or more per year if such person is an individual or, if such person is an organization such as a corporation or association, an amount of 10 million yen or more per year that is equivalent to at least 2% of annual consolidated sales or total revenues in such organization's most recent fiscal year.

(Note 5) With regard to 4. above, this means a person who was a business executor of a current major shareholder of the Company during the past three years.

(Note 6) "Important person" includes a director (excluding an outside director), auditor (excluding an outside auditor), executive officer, employee in a management position of department manager or higher, certified public accountant belonging to an accounting auditor, and attorney belonging to a law firm (including an associate).

End

**Proposal 4:** Approval of the Response Policies to Large-Scale Purchases of the Company's Share Certificates, Etc. (Takeover Response Policies)

The Company renewed the response policies to large-scale purchases of the Company's share certificates, etc. (takeover defenses) by obtaining shareholder approval at the Company's 131st annual general shareholders' meeting held on June 28, 2022 (the response policies that were renewed by obtaining shareholder approval at the Company's 131st annual general shareholders' meeting are referred to as the "**Original Plan**").

Since then, the Company has continued to spend a considerable amount of time discussing and examining whether to renew the Original Plan and the content thereof at Board of Directors meetings, in order to further secure and enhance the Company's corporate value and the common interests of its shareholders, taking into account such factors as social and economic changes, including the trend of acquisition without consent, details of judicial rulings regarding recent takeover response policies, status of legal developments related to takeover response policies, and the progress of various discussions, including on corporate governance.

As a result of such examination, the Company decided at the Board of Directors meeting held on May 8, 2025 to adopt the following response policies (the "**Plan**") instead of the Original Plan, the term of which will expire as of the close of the Company's 134th annual general shareholders' meeting planned to be held in June 2025 (the "**Annual General Shareholders' Meeting**"), subject to the approval by the majority of the voting rights of the shareholders present at the Annual General Shareholders' Meeting. Therefore, we would like to request that the Plan be approved by a majority of the voting rights of the shareholders attending the Meeting.

Key changes from the Original Plan by adopting the Plan are as listed below; other basic details of the Plan remain unchanged from the Original Plan:

- (1) Partial revision of the definition of "Large-Scale Purchase" to which the Plan applies;
- (2) Preparation of "Recognition Criteria for Joint and Coordinated Act" in Exhibit 3, which will serve as the following: (i) in recognizing a given person as an "Ineligible Party," including a Large-Scale Purchaser, criteria to determine whether the person constitutes a "person who substantially controls the person, is controlled by the person, or is under common control with the person, or a person acting substantially jointly or in coordination with the person"; and (ii) in recognizing a given act as a "Large-Scale Purchase," which will be the basis for recognizing a given person as a "Large-Scale Purchaser," criteria to determine whether the act constitutes an act which establishes a "relationship between the relevant specific shareholders' group and one or more other shareholders of the Company in which one substantially controls the other or where they act jointly or in coordination"; and
- (3) Revisions and adjustments of some wording.

For an overview of the procedural flow of the Plan, please see Exhibit 1. The resolution on the adoption of the Plan at the foregoing Board of Directors meeting was passed unanimously by all eight (8) directors, including four (4) outside directors who are independent directors; further, four (4) auditors, including two (2) outside auditors who are independent auditors, attended the Board of Directors meeting and stated that they have no objection to the adoption of the Plan.

In regard to the above, if the Plan is not approved by the majority of the voting rights of the shareholders present at the Annual General Shareholders' Meeting, the Plan will not be introduced, and the Original Plan will also be terminated upon the expiration of the effective term at the close of the Annual General Shareholders' Meeting.

<<Necessity and Reasonableness of Introduction/Continuation of Takeover Response Policies>>

With the last year marking its 125th anniversary since foundation, the Company has been operating under two pillars — Shipping and Real Estate (INO MODEL). For the medium and long term enhancement of its corporate value and the common interests of its shareholders, the Company has adopted, as its basic management policy, a business model that appropriately combines the shipping business, which is prone to steep market volatility resulting in earnings fluctuations, and the real estate business, earnings from which are stable due to relatively few variable elements. The Company believes that this management policy will enable the Company to realize stable business management from a medium and long term perspective, allowing the Company to continue its business from an "Always Safety First" perspective as embraced in its corporate philosophy and management policy. In order to achieve this basic management policy, the Company deems it essential for each of its corporate managers, who are familiar with the relevant business, to formulate the business strategy from a medium and long term perspective and implement this strategy.

Under this basic policy, the Company has delivered stable business performance and paid steady dividends to its shareholders by generating high earnings when the shipping market is strong, and supporting earnings through its real estate business when the shipping market is weak. In pursuing business portfolio management under the original Mid-term Management Plan, the Company is investing in the shipping and real estate businesses in a well-balanced manner, aiming for sustainable growth. The Company also appropriately allocates management resources to both of those businesses, considering that sustainable growth necessarily requires investment in human capital, including educating personnel from a medium- to long-term perspective, as well as personnel exchange and know-how sharing. In terms of its shipping business, which is prone to high market volatility, the Company is oriented toward capital investments that meet its investment criteria and suit its corporate vitality. In order to strengthen its structures to align with changes in market conditions, the Company is making well-balanced investments in its own vessels and vessels procured from other companies. In addition, the Company categorizes the charter period of procured vessels into short, medium, and long term, as an effort to diversify vessel procurement. In the real estate business as well, which is subject to fewer variable elements, the Company secures stable earnings through its office building lease business mainly for those located in central Tokyo, and is also working to establish a stable earnings base through its overseas real estate business for further earnings growth. Additionally, the Company is working to increase its brand power by providing high-quality services managed in-house and in consideration of the environment and safety. In this manner, the Company has built a high reputation and level of trust as an independent company through its many years in the shipping business, safely and stably transporting essential goods to both domestic and overseas destinations, and in the real estate business providing secure and comfortable environments, which have formed the foundation of the Company's corporate value.

The Company is not unconditionally opposed to Large-Scale Purchases, as long as such Large-Scale Purchases lead to the medium and long term enhancement of the Company's corporate value and the common interests of its shareholders. However, there is a possibility that a Large-Scale Purchase could take place for the sole purpose of the purchaser's own short-term interests without understanding the business characteristics based on the Company's basic management policy and focusing only on certain businesses or assets. This type of Large-Scale Purchase may materially damage the Company's corporate value because it would obstruct the formulation and implementation of the Company's business strategy from a medium and long term perspective. However, the Company believes that under the Japanese tender offer system, despite its recent amendment, a Large-Scale Purchase could still take place without necessary information being disclosed to shareholders to decide whether to accept the proposal of the Large-Scale Purchase, or without the opportunity being secured for shareholders to thoroughly consider the proposal. In addition, although the Company strives to strengthen its information disclosure and IR activities to enable its shareholders and investors to understand its business activities and business policies, the Company believes that, if a Large-Scale Purchaser emerges unexpectedly, it is essential that appropriate and sufficient information, including the following, is provided by both the Large-Scale Purchaser and the Company's Board of Directors in order to enable its shareholders to promptly and properly assess the potential impact of the Large-Scale Purchase on the Company's corporate value and common interests of its shareholders: (i) possible effect of the Large-Scale Purchase on the Company; and (ii) substance of the management policy and business plans contemplated by the Large-Scale Purchaser if it participates in the Company's business management. The Company also considers that disclosing opinions of its Board of Directors on Large-Scale Purchases will assist decision-making by its shareholders.

Accordingly, for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders, the Company deems it necessary to introduce the Plan in order to request that a Large-Scale Purchaser (as defined in III.2. below; hereinafter the same) provide in advance the necessary information regarding a Large-Scale Purchase and secure the necessary period to evaluate and examine, etc. the content of the Large-Scale Purchase; and take necessary and proportionate countermeasures against the Large-Scale Purchase if the Company deems that the Large-Scale Purchase would materially damage the Company's corporate value and the common interests of its shareholders.

Also, sufficient reasonableness and fairness are secured in the Plan so that the Plan may not be used by corporate managers for self-protection. First, the Plan secures a structure for preventing the Board of Directors from arbitrarily triggering countermeasures. Specifically, before triggering countermeasures, the Board of Directors must either (i) convene a Shareholders' Meeting to Confirm Shareholders' Intent and have the shareholders decide whether to trigger countermeasures or (ii) consult with the highly independent Special Committee regarding whether to trigger countermeasures and decide whether to trigger countermeasures by respecting the Special Committee's recommendation to the maximum extent. Next, regarding the types of Large-Scale

Purchases in respect of which the Company can trigger countermeasures without convening a Shareholders' Meeting to Confirm Shareholders' Intent in response to a Large-Scale Purchase conducted pursuant to the Large-Scale Purchase Rules, these are limited to five types of abusive acquisitions in respect of which it is obvious, from an objective viewpoint, that they would materially damage the Company's corporate value and the common interests of its shareholders; namely, (i) the four types described in the Tokyo High Court's ruling on the so-called Nippon Broadcasting System case (Exhibit 4, paragraphs 1 to 4) and (ii) coercive two-step acquisitions (Exhibit 4, paragraph 5). Furthermore, the Plan secures a structure for preventing delays in the relevant procedures due to arbitrary operations by the Board of Directors. Specifically, it is necessary for the Board of Directors to consult with the Special Committee regarding (i) whether a given act constitutes a Joint And Coordinated Act that qualifies as a Large-Scale Purchase to which the Plan applies (as defined in III.2 below), (ii) whether to request provision of additional Large-Scale Purchase Information (as defined in III.2.(2) below) from a Large-Scale Purchaser, (iii) whether to provide the Information Provision Completion Notice (as defined in III.2.(2) below) to a Large-Scale Purchaser, and (iv) whether to extend the Board of Directors' Evaluation Period (as defined in III.2.(3) below). In addition, the Plan also secures fairness in the implementation of the Plan, including the triggering of countermeasures, by the Board of Directors. Specifically, fifty percent (50%) of the Company's directors are outside directors who are independent directors of the Company (and fifty percent (50%) of the auditors who attend the Board of Directors meeting are outside auditors who are independent auditors).

In this regard, please note that during the effective term of the Original Plan, the Company has been working assiduously towards enhancing the Company's corporate value over the medium and long term through efforts towards enhancing its corporate value under, among others, the Mid-term Management Plan and efforts towards reinforcing its corporate governance based on its basic views of corporate governance. Accordingly, the Company believes that the introduction/continuation of the Plan will not prevent the Board of Directors from striving for enhancement of the Company's corporate value.

The following is a summary of the Company's major initiatives for strengthening its corporate governance which were implemented during the effective term of the Original Plan:

#### Major Initiatives for Strengthening Corporate Governance

FY	Details of Major Initiatives
2022	Shortened the term of office of directors from two (2) years to one (1) year
	Appointed a female outside director
	Established the position of Group Operating Officer (GOO)
	Established the Sustainability Promotion Department
2023	Increased the number of independent outside directors from three (3) to four (4)
	Increased the number of female outside directors from one (1) to two (2)
2024	Amended part of the officers' remuneration policy

<Reference> Key Items of the Plan

The following table was prepared to explain the key items of the Plan clearly and concisely. For details of the Plan, please refer to the main text of Page 23 and thereafter:

Key Items	Applicable Paragraphs/Exhibits	Substance
Large-Scale Purchase	III.2.	(a) a purchase of the Company's share certificates, etc. with an aim to make the ratio of voting rights held by the specific shareholders' group twenty percent (20%) or greater, (b) a purchase of the Company's share certificates, etc. in which the ratio of voting rights held by the specific shareholders' group is twenty percent (20%) or greater, or (c) an agreement with one or more other shareholders of the Company or other act in which the ratio of voting rights held by the specific shareholders' group is twenty percent (20%) or greater, or an act to establish a relationship between the relevant specific shareholders' group and one or more other shareholders of the Company in which one substantially controls the other or in which they act jointly or in coordination (this is limited to an act that makes the total ratio of voting rights held by the relevant specific shareholders' group and of such other shareholder(s) twenty percent (20%) or greater).
Board of Directors' Evaluation Period	III.2.(3)	Up to sixty (60) days in the case of a Large-Scale Purchase targeting all of the Company's share certificates, etc. via a tender offer with monetary consideration only (in Japanese yen); or up to ninety (90) days in the case of other Large-Scale Purchases.
Types of Large-Scale Purchases Subject to Triggering Countermeasures	III.3.(1)(ii)(A)(B); Exhibit 4	The types of Large-Scale Purchases in respect of which the Company can trigger countermeasures without convening a Shareholders' Meeting to Confirm Shareholders' Intent in response to a Large-Scale Purchase conducted pursuant to the Large-Scale Purchase Rules are limited to five types; namely, (i) the four types described in the Tokyo High Court's ruling on the so-called Nippon Broadcasting System case and (ii) coercive two-step acquisitions. Regarding other types of Large-Scale Purchases, the Company needs to convene a Shareholders' Meeting to Confirm Shareholders' Intent in order to trigger countermeasures.
Substance of Countermeasures	III.3.(2)	Allotment of share options without contribution or other countermeasures available under laws and regulations or the Company's Articles of Incorporation
Eligibility for Special Committee Members	Exhibit 6, paragraph 2	Special Committee Members will be appointed from outside directors and outside auditors who are independent directors/auditors of the Company.
Effective term	III.4.(4)	Until the close of the Company's 137th annual shareholders' meeting to be held in 2028

## **I. Outline of the Basic Policy regarding Persons Controlling the Company's Decisions concerning Financial and Business Policies**

The Company believes that a person who controls the Company's decisions concerning financial and business policies must sincerely and faithfully work to secure and enhance the Company's medium and long term corporate value and the common interests of its shareholders based on the sufficient understanding of the corporate philosophy and basic management policy of the Company, various sources of its corporate value, and the relationship of mutual trust with the stakeholders who support the Company.

The Company is not unconditionally opposed to Large-Scale Purchases, as long as such Large-Scale Purchases lead to the medium and long term enhancement of the Company's corporate value and the common interests of its shareholders. However, such Large-Scale Purchases may include those that would materially damage the Company's corporate value and the common interests of its shareholders, such as a purchase for the sole purpose of the purchaser's own short-term interests and a purchase that may effectively force shareholders to sell their shares without sufficiently ensuring the disclosure of information to shareholders about the proposal for the Large-Scale Purchase or an opportunity to thoroughly consider the proposal for the purchase.

The Company accordingly believes that any person who conducts a Large-Scale Purchase that would materially damage the Company's corporate value and the common interests of its shareholders as described above is inappropriate to serve as a person who controls the Company's decisions concerning financial and business policies.

## **II. Outline of Special Endeavors which Contribute to the Realization of the Basic Policy**

As a means of enhancing the Company's corporate value and the common interests of its shareholders, the Company is making efforts to enhance its corporate value under, among others, the medium term management plan as described in 1. below and efforts to reinforce its corporate governance described in 2. below. The Company believes that by enhancing its medium and long term corporate value and the common interests of its shareholders through these efforts and by having the enhanced corporate value and common interests of its shareholders be properly reflected in the value of the Company's shares, the Company will be able to make it more difficult to conduct a Large-Scale Purchase that would materially damage the Company's corporate value or the common interests of its shareholders as described above. The Company therefore believes that these efforts will have a positive effect on the basic policy regarding persons controlling the Company's decisions concerning financial and business policies described in I. above (the "**Basic Policy**").

### **1. Endeavors to enhance corporate value under the Mid-term Management Plan**

#### **(1) Overview of the Company's business**

The Company considers the shipping business and the real estate business to be its core businesses, as stated in the section titled "Necessity and Reasonableness of Introduction/Continuation of Takeover Response Policies" above. Aiming at maximization of the Company's medium and long term corporate value and the common interests of its shareholders, which are the largest management issues for a company, the Company has adopted, as its basic management policy, a business model that appropriately combines the shipping business, earnings from which tend to fluctuate due to the influence of a number of variable elements, such as shipping market conditions, interest rates, and foreign exchange rates, and the real estate business based in Japan, earnings from which are stable due to relatively few variable elements, thereby carrying out business incorporating global economic growth centered on emerging nations and stable domestic business in a well-balanced manner.

In accordance with the aforementioned basic management policy, the entire Company group (the "**Group**") aims to achieve sustainable growth and to increase its medium- to long-term corporate value by formulating a three-year mid-term management plan, "The Adventure to Our Sustainable Future" starting in April 2023 (plan period: from April 2023 through to March 2026; the "**Management Plan**") and taking various measures.

Details of the Management Plan can be found on the Company's website:

<https://www.iino.co.jp/kaiun/english/ir/manage/plan.html>

An overview of the Group's business can be found on the Company's website:

<https://www.iino.co.jp/kaiun/english/>

## **2. Endeavors to Improve Corporate Governance**

### **(1) Basic Views of Corporate Governance**

The Company's basic approach to establishing relationships of trust with its stakeholders, which is the sustainable growth and enhancement of corporate value over the medium to long term, is expressed in the group-wide Corporate Philosophy, which states "Connecting Wishes. Building a Brighter Future. Always Safety First." In addition to the Management Policy and Code of Conduct to realize the Corporate Philosophy, the Group has established the Sustainability Policy which is composed of nine categories: Safety is Priority No. 1; Respect for Human Rights; Environmental Protection; Contribute to Society; Ensuring Thorough Compliance; Respect for Customers; Promotion of Diversity; Disclosure of Information and Communication; Education and Training. By putting each policy into practice, the Company is working on corporate activities to solve environmental and social issues. Therefore, the Company believes it is important to ensure the soundness, transparency, and efficiency of the management to put the Sustainability Policy into practice through corporate governance, and the Company considers corporate governance to be a framework for coordinating the interests of the various stakeholders of a company and carrying out corporate activities efficiently. Based on these views and pursuant to the Auditor System, the Company is working to both enhance its corporate governance and secure soundness, transparency, and efficiency in management, and concerning decision-making and operational execution in management, the Company is considerate of its relationships with shareholders, employees, and other stakeholders, and spares no effort to produce the best corporate results in order to ultimately create sustainable growth and increase corporate value over the medium to long term.

The Company aims to enrich corporate governance based on the following basic policies.

- (i) While providing appropriate responses to effectively secure the rights of shareholders and maintain an environment where shareholders can appropriately exercise their rights, the Company will be considerate in effectively securing fairness for all shareholders.
- (ii) The Company will be considerate of the rights and standpoints of various stakeholders, including shareholders, employees, customers, transaction partners, creditors, and regional societies, and work for appropriate cooperation with stakeholders.
- (iii) The Company will actively work toward appropriate disclosure of not only financial information, but also non-financial information, and aim to provide easy to understand and useful information disclosure alongside securing transparency.
- (iv) The Board of Directors, in view of the responsibility entrusted to it by shareholders and in an effort to create sustainable growth and enhance corporate value over the medium and long term, will appropriately fulfill its duties and responsibilities, including maintaining an environment to support appropriate risk taking and implementing highly effective supervision of directors. Auditors and the Board of Auditors, in view of the responsibility entrusted to them by shareholders, will appropriately fulfill their duties and responsibilities from an independent and objective standpoint, including auditing the execution of duties by directors.
- (v) To contribute to the sustainable growth and enhancement of corporate value over the medium and long term, the Company will engage in constructive dialogue with shareholders.

### **(2) Endeavors toward Corporate Governance**

The Company established the Board of Directors and the Board of Auditors, which monitor and audit operational execution. The Board of Directors holds regular meetings once a month, as a rule, to make important decisions and monitor the performance of directors' operational execution. The Board of Auditors, which comprises company auditors, including outside company auditors, holds regular meetings once a month, as a rule. The Company has introduced a three-tiered audit system whereby the Corporate Audit Office, under the direct control of the President Executive Officer (Representative Director), auditors, and accounting auditors conduct auditing in mutual cooperation. Furthermore, since FY2021, the Company has developed a system to directly provide the Board of Directors with audit reports on internal audits by the Corporate Audit Office based on the Board of Directors' instructions.

Please visit the Company's website for details of the endeavors toward corporate governance.



### **III. Endeavors to Prevent Decisions concerning the Company's Financial and Business Policies from Being Controlled by Inappropriate Persons in Light of the Basic Policy**

#### **1. Purpose of Introducing the Plan**

The Company will introduce the Plan for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders. The details of the Company's thinking regarding the introduction of the Plan are as follows.

As described in II. above, for the medium and long term enhancement of the Company's corporate value and the common interests of its shareholders, the Company has adopted, as its basic management policy, a business model that appropriately combines the shipping business, earnings from which tend to fluctuate due to the influence of a number of variable elements, and the real estate business, earnings from which are stable due to relatively few variable elements. The Company believes that this management policy will enable the Company to realize stable business management from a medium and long term perspective and thereby secure safety, which is the foundation for development of the Company's business. In order to achieve this basic management policy, the Company deems it essential for each of its corporate managers, who are familiar with the relevant business, to formulate the business strategy from a medium and long term perspective and implement this strategy.

The Company is not unconditionally opposed to Large-Scale Purchases, as long as such Large-Scale Purchases lead to the medium and long term enhancement of the Company's corporate value and the common interests of its shareholders. However, there is a possibility that a Large-Scale Purchase could take place for the sole purpose of the purchaser's own short-term interests, not for the purpose of enhancing the Company's corporate value over the medium and long term. This type of Large-Scale Purchase may materially damage the Company's corporate value because it would obstruct the formulation and implementation of the Company's business strategy from a medium and long term perspective.

Since the decision as to whether to accept a proposal of a Large-Scale Purchase relates to an issue involving who should have control over the management of the Company, the Company believes that its shareholders should make the final decision. Given this, the Company believes that for shareholders to make an appropriate decision as to whether to accept a proposal of a Large-Scale Purchase, it is necessary for the shareholders to be provided with not only the information unilaterally provided by the Large-Scale Purchasers, but also sufficient information including that provided by the Board of Directors, which is currently engaged in the management of the Company and has a thorough knowledge of the Company's business and the various endeavors taken under the Mid-term Management Plan, and the evaluation and opinion of the Board of Directors regarding the Large-Scale Purchase. The Company also believes that it is essential to secure sufficient time for the shareholders to thoroughly consider this information. Furthermore, in the case where it is determined that it is necessary to change or improve the terms and method of the Large-Scale Purchase for securing and enhancing the Company's corporate value and the common interests of its shareholders, the Company thinks that it is necessary to negotiate with the Large-Scale Purchaser and, among other acts, present alternative proposals. The time required to do so should also be secured. However, it is possible that a Large-Scale Purchase could be conducted without sufficiently ensuring the disclosure of information to shareholders about the proposal for the Large-Scale Purchase or an opportunity to thoroughly consider the proposal for the Large-Scale Purchase, and such Large-Scale Purchase may effectively force shareholders to sell their shares.

As described above, the Company believes that there is a possibility that a Large-Scale Purchase could take place that would materially damage the Company's corporate value and the common interests of its shareholders. And if such Large-Scale Purchase actually takes place, the Company believes that it would be difficult for the current Japanese tender offer system alone to sufficiently secure and enhance the Company's corporate value and the common interests of its shareholders. Accordingly, for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders, the Board of Directors decided to introduce the Plan in order to request that a Large-Scale Purchaser provide in advance the necessary information regarding a Large-Scale Purchase and secure the necessary period to evaluate and examine, etc. the details of the Large-Scale Purchase; and take necessary and proportionate countermeasures against the Large-Scale Purchase if the Company deems that the Large-Scale Purchase would materially damage the Company's

corporate value and the common interests of its shareholders.

Please note that, at the time of the determination by the Board of Directors regarding the introduction of the Plan, no proposal from a particular third party had been made to the Board of Directors concerning a Large-Scale Purchase of the Company's share certificates, etc. For the status of the major shareholders of the Company, please see Exhibit 2.

## 2. Establishment of Large-Scale Purchase Rules

In the Plan, the Company sets forth the procedures (the "**Large-Scale Purchase Rules**") required to be followed by a person (a "**Large-Scale Purchaser**") who commences or intends to commence any of the following acts: (a) a purchase of the Company's share certificates, etc. with an aim to make the ratio of voting rights (Note 2) held by the specific shareholders' group (Note 1) twenty percent (20%) or greater, (b) a purchase of the Company's share certificates, etc. in which the ratio of voting rights held by the specific shareholders' group is twenty percent (20%) or greater, or (c) regardless of whether either of the acts specified in (a) or (b) above has been conducted, any act that a specific shareholders' group of the Company engages in with another shareholder of the Company (including multiple shareholders and the same shall apply in this text (c)), which results in an agreement or other act whereby such other shareholder(s) constitute(s) a joint owner(s) with the specific shareholders' group, or an act (Note 3) that establishes a relationship between the specific shareholders' group and such other shareholder(s) of the Company in which one substantially controls the other or in which they act jointly or in coordination (Note 4) (this is limited to an act in which the total ratio of voting rights that are attached to the Company's share certificates, etc. and held by the specific shareholders' group and by such other shareholder(s) is twenty percent (20%) or greater; an act set forth in (c) above is hereinafter referred to as a "**Joint and Coordinated Act**") (any acts previously approved by the Board of Directors are excluded from the acts set forth in (a) through (c) above) (an act set forth in any of (a) through (c) above is referred to as a "**Large-Scale Purchase**").

(Note 1) The term "specific shareholders' group" refers to (a) (x) a "holder" (as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act, including a person who is included in a holder pursuant to paragraph 3 of the same Article; hereinafter the same, unless otherwise provided) and (y) a "joint holder" (as defined in Article 27-23, paragraph 5 of said Act, including a person who is deemed to be a joint holder pursuant to paragraph 6 of the same Article; hereinafter the same, unless otherwise provided) of "share certificates, etc." (as defined in Article 27-23, paragraph 1 of said Act; hereinafter the same, unless otherwise provided) of the Company; or (b) (x) a person who conducts a "purchase, etc." (as defined in Article 27-2, paragraph 1 of said Act, including a purchase, etc. conducted on a financial instruments exchange market; hereinafter the same, unless otherwise provided) of "share certificates, etc." (as defined in Article 27-2, paragraph 1 of said Act) of the Company and (y) its "specially related party" (as defined in Article 27-2, paragraph 7 of said Act; hereinafter the same, unless otherwise provided). If laws and regulations referred to in the Plan are amended (including a change of the name of the laws and regulations and establishment of new laws and regulations which succeed the old ones), the provisions and terms of the laws and regulations referred to in the Plan shall be deemed to be replaced with the provisions and terms of the laws and regulations after the amendment which substantially succeed the provisions and terms of the laws and regulations before the amendment, unless otherwise specified by the Board of Directors.

(Note 2) The term "holding ratio of rights to vote" refers to (a) a "holding ratio of share certificates, etc." (as defined in Article 27-23, paragraph 4 of the Financial Instruments and Exchange Act) of the specific shareholders' group if such group is a holder and its joint holder of the share certificates, etc. of the Company (in this case, the "number of share certificates, etc. held" (as defined in the same paragraph) by joint holders of the holder will be considered for the purpose of this calculation); hereinafter the same, unless otherwise provided; or (b) the total of the "ownership ratio of share certificates, etc." (as defined in Article 27-2, paragraph 8 of said Act; hereinafter the same, unless otherwise provided) of the specific shareholders' group if such group is a person conducting a purchase, etc. of share certificates, etc. (as defined in Article 27-2, paragraph 1 of said Act) of the Company and the specially related party of such person, depending on the manner of the specific act of the specific shareholders' group. For the purpose of calculating a holding ratio of share certificates, etc. and an ownership ratio of share certificates, etc., the latest annual securities report, semi-annual securities report and report on

repurchase may be referred to with respect to the “total number of issued shares” (as defined in Article 27-23, paragraph 4 of said Act; hereinafter the same, unless otherwise provided) and the “total number of voting rights” (as defined in Article 27-2, paragraph 8 of said Act; hereinafter the same, unless otherwise provided).

(Note 3) Whether a given act constitutes an act to establish a “relationship between the relevant specific shareholders’ group and one or more other shareholders of the Company in which one substantially controls the other or where they act jointly or in coordination” shall be determined in accordance with the criteria provided in Exhibit 3. The criteria provided in Exhibit 3 may be subject to change, as appropriate and to a reasonable extent, by a resolution of the Special Committee, based on factors such as legal amendments or trends in judicial precedent.

(Note 4) Whether a given act constitutes an act set forth in (c) above shall be reasonably determined by the Board of Directors of the Company based on the recommendation of the Special Committee. The Board of Directors and the Special Committee may request that the Company’s shareholders provide necessary information to the extent required to determine whether an act constitutes an act set forth in (c) above.

The Large-Scale Purchase Rules are detailed as follows:

(1) Prior Submission to the Company of Large-Scale Purchase Intention Letter

A Large-Scale Purchaser will be required to submit a large-scale purchase intention letter (a “**Large-Scale Purchase Intention Letter**”) to the President and Representative Director of the Company, stating the following matters in Japanese, prior to the commencement of Large-Scale Purchase.

(i) Outline of the Large-Scale Purchaser:

- (a) Name and address or location
- (b) Name of representative
- (c) Corporate purpose and nature of business
- (d) Outline of major shareholders or capital contributors (the top ten by number of shares held or capital contribution ratio)
- (e) Contact address in Japan
- (f) Governing law of incorporation;

(ii) Number of the Company’s share certificates, etc. currently held by the Large-Scale Purchaser, and the results of trading by the Large-Scale Purchaser of the Company’s share certificates, etc. for the sixty (60) days prior to the submission of the Large-Scale Purchase Intention Letter;

(iii) Outline of the Large-Scale Purchase proposed by the Large-Scale Purchaser (including the type and number of the Company’s share certificates, etc. that the Large-Scale Purchaser plans to acquire through the Large-Scale Purchase, and an outline of the purposes of the Large-Scale Purchase (if the purpose is to acquire control or participate in management, make a portfolio investment (*jyun-toshi*) or investment for policy considerations, transfer or otherwise dispose of the Company’s share certificates, etc. to any third party after the Large-Scale Purchase, or the making of important suggestions, etc.,<sup>1</sup> or achieve any other purpose, such fact and an outline thereof. In the case where there are two or more purposes, all of the purposes should be stated.)); and

(iv) A pledge to comply with the Large-Scale Purchase Rules.

Upon submission of the Large-Scale Purchase Intention Letter, a certified copy of the commercial registration, a copy of the Articles of Incorporation and other documents that prove the existence of the Large-Scale Purchaser (including Japanese translations if the relevant documents are in another language) will be required to be attached to the Large-Scale Purchase Intention Letter.

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<sup>1</sup> This refers to a “the making of important suggestions, etc.” as defined in Article 27-26, paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph 1 of the Enforcement Order of said Act and Article 16 of the Cabinet Office Ordinance concerning Disclosure of Large Holding of Share Certificates, etc. Hereinafter the same, unless otherwise provided.

(2) Provision of Large-Scale Purchase Information

After submitting the Large-Scale Purchase Intention Letter, the Large-Scale Purchaser will be required to provide the President and Representative Director of the Company with information in Japanese, necessary and sufficient for shareholders to make a decision on and for the Board of Directors to evaluate and examine, etc. the Large-Scale Purchase (“**Large-Scale Purchase Information**”), in the following manner.

Within ten (10) business days<sup>2</sup> (excluding the first day) from the date of submission of the Large-Scale Purchase Intention Letter, the Company will send a document in writing that specifies the information necessary to be initially provided (“**Required Information List**”) to the Large-Scale Purchaser at the contact address in Japan stated in (1)(i)(e) above. Accordingly, the Large-Scale Purchaser will be required to provide the President and Representative Director of the Company with sufficient information in accordance with the Required Information List. The President and Representative Director of the Company will promptly provide the Special Committee with the information provided by the Large-Scale Purchaser.

If the Board of Directors reasonably determines that the information provided by the Large-Scale Purchaser in accordance with the Required Information List is, in light of the substance, manner and other relevant details of the Large-Scale Purchase, insufficient for shareholders to make a decision and for the Board of Directors to evaluate and examine, etc. the Large-Scale Purchase, the Large-Scale Purchaser will be required to provide additional information separately requested by the Board of Directors. In making that determination, the Board of Directors will, after seeking advice from financial advisers, attorneys, certified public tax accountants, certified public accountants or other external experts (“**External Experts**”) as necessary, consult with the Special Committee, and respect the recommendation of the Special Committee to the maximum extent. The President and Representative Director of the Company will also promptly provide the Special Committee with the information additionally provided by the Large-Scale Purchaser.

The information regarding each of the following items will be included in the Required Information List, as a rule. Specifics of the information included in the Required Information List will be determined by the Board of Directors in a reasonable manner in light of the substance, manner and other relevant details of the Large-Scale Purchase after seeking advice from External Experts. If the Large-Scale Purchaser is unable to provide any of the information on any item contained in the Required Information List, the Company will request that the Large-Scale Purchaser provide concrete reasons for the inability to provide such information.

- (a) Details of the Large-Scale Purchaser and its group (including the history, amount of stated capital or capital contribution, total number of issued shares, names, careers of and numbers of shares held by the officers, and other circumstances of the companies and other related parties, as well as the financial situation, business performance and other accounting details for the latest two (2) business years);
- (b) Purpose (specifics of the purpose disclosed in the Large-Scale Purchase Intention Letter), method and substance of the Large-Scale Purchase (including opinions concerning the legality of the Large-Scale Purchase (including the possibility of obtaining legally-required approvals, permissions, and other procedures));
- (c) Type and amount of consideration for purchase (if securities, etc. are used as the consideration, the type and exchange ratio of the securities etc.; if securities, etc. and cash are used as the consideration, the type, exchange ratio of the securities, etc., and the amount of cash should be stated), and the basis and process of calculation of such amount (for the basis of calculation, the grounds for the calculation shall be specifically stated, and if such amount differs from the market price or from the price of a recent transaction commenced by the Large-Scale Purchaser, the details of such difference should also be stated. Regarding a difference in the amount of the purchase price depending on the type of share certificates, etc., the details thereof, including the basis of conversion, should also be specifically stated. For the process of calculation, if an opinion was given by a third party for the calculation, the name of such third party, an outline of the opinion, and the process of the price determination taking into account such opinion should be specifically stated);
- (d) Procurement status of funds required for the Large-Scale Purchase, and an outline of the sources of

<sup>2</sup> The term “business day(s)” means the day(s) other than the days enumerated in each item of Article 1, paragraph 1 of the Act on Holidays of Administrative Organs. Hereinafter the same, unless otherwise provided.

such funds (including, in the case of a deposit, the balance for each type of deposit; in the case of borrowings, the amount of borrowings, business and other details of the lender, and the substance of the loan agreement; and in the case of other procurement methods, the substance thereof, procurement amount, and the business and other details of the source);

- (e) If there is any loan agreement, collateral agreement, resale agreement, pre-contract of sales, or any other material agreement or arrangement (“**Collateral Agreement**”) regarding the Company’s share certificates, etc. already held by the Large-Scale Purchaser, the type, counterparty, and the specific substance of the Collateral Agreement, such as the number of share certificates, etc. subject to the agreement;
- (f) If the Large-Scale Purchaser plans to execute a Collateral Agreement or any other agreement with a third party regarding the Company’s share certificates, etc. to be acquired via a Large-Scale Purchase, the type of the planned Collateral Agreement or other agreement with the third party, the counterparty of the agreement, and the specific substance of the Collateral Agreement or other agreement with the third party, such as the number of share certificates, etc. subject to the agreement;
- (g) If the purpose of the Large-Scale Purchase is to acquire control or participate in management, the method of acquisition of control or participation in the management of the Company or the Group intended after the completion of the Large-Scale Purchase, and the management policy intended after the acquisition of control, or the plan after the participation in management. If the Large-Scale Purchaser plans any corporate reorganization, reorganization of the corporate group, dissolution, disposal or acquisition of material property, heavy debts, appointment or removal of the representative director or other important officers, change in compositions of officers, material changes in dividends and capital policies, or any other act that would cause material changes to or material effects on the management policy of the Company and the Group, the substance and the necessity thereof;
- (h) If the purpose of the Large-Scale Purchase is to make a portfolio investment (*gyun-toshi*) or investment for policy considerations, the possession policy and the sale and purchase policy of the share certificates, etc. after the Large-Scale Purchase, and other collection policies of invested capital, policy for exercising voting rights, as well as the reasons for those policies. If the Large-Scale Purchase is commenced for investment for policy considerations aiming for a long-term capital alliance, the necessity thereof;
- (i) If the purpose of the Large-Scale Purchase is the making of important suggestions, etc., or if there is a possibility that the making of important suggestions, etc. will be conducted after the Large-Scale Purchase, the purpose, substance, necessity and timing of the making of important suggestions, etc., and information concerning in what circumstances the Large-Scale Purchaser will conduct the making of important suggestions, etc.;
- (j) If the Large-Scale Purchaser plans to acquire further the Company’s share certificates, etc. after the Large-Scale Purchase, the reason and the substance thereof;
- (k) If the Company’s share certificates, etc. are expected to be delisted after the Large-Scale Purchase, such fact and the reason thereof;
- (l) If there has been any communication of intention with any third party for the Large-Scale Purchase, the purpose and substance thereof as well as an outline of such third party;
- (m) If the Large-Scale Purchaser plans to change the relationship with any of the Company’s employees, clients or customers, communities, or other interested parties of the Company after the completion of the Large-Scale Purchase, the specific substance thereof;
- (n) Specific measures to avoid conflicts of interest with other shareholders of the Company;
- (o) Information concerning relationships with antisocial forces; and
- (p) Where the Large-Scale Purchase does not involve a purchase of the Company’s share certificates, etc., the following information.

- A. Current relationship with a potential counterparty to the Large-Scale Purchase (including capital and business relationships, concurrent offices of officers and employees, and other relationships); and
- B. Timing and purpose of forming the current relationship with a potential counterparty to the Large-Scale Purchaser.

The Company will disclose to its shareholders, when it deems appropriate, the fact that the Large-Scale Purchase was proposed and all or part of the information provided by the Large-Scale Purchaser (including any information required by the Company but not provided by the Large-Scale Purchaser, and the reason for the inability to provide it; hereinafter the same), if it determines that it will be necessary for the shareholders to decide on the proposal.

Further, after consulting with the Special Committee and respecting the recommendation therefrom to the maximum extent, if the Board of Directors reasonably determines that the Large-Scale Purchase Information provided by the Large-Scale Purchaser is sufficient and the provision of the Large-Scale Purchase Information has been completed, the Company will promptly notify the Large-Scale Purchaser to that effect (“**Information Provision Completion Notice**”) and publicly disclose the same.

(3) The Board of Directors’ Evaluation Period, etc.

After providing an Information Provision Completion Notice, and seeking advice from External Experts as necessary, the Company will designate the period in either (a) or (b) below (excluding the first day) for the Board of Directors to evaluate, examine, negotiate, form an opinion, and develop alternative proposals (“**Board of Directors’ Evaluation Period**”), depending on the difficulty of evaluating the Large-Scale Purchase.

- (a) Up to sixty (60) days from the date of the Information Provision Completion Notice in the case of a Large-Scale Purchase targeting all of the Company’s share certificates, etc. via a tender offer with monetary consideration only (in Japanese yen); or
- (b) Up to ninety (90) days from the date of the Information Provision Completion Notice in the case of other Large-Scale Purchases.

During the Board of Directors’ Evaluation Period, the Board of Directors will, obtaining advice from External Experts as necessary, sufficiently evaluate and examine, etc. the information provided by the Large-Scale Purchaser, carefully reach an opinion concerning the Large-Scale Purchase and thereupon notify the Large-Scale Purchaser thereof and promptly disclose it to the shareholders. Further, the Board of Directors may, as necessary, negotiate the terms and method of the Large-Scale Purchase with the Large-Scale Purchaser, and present alternative proposals to the shareholders.

Notwithstanding the foregoing, if the Board of Directors is unable to reach an opinion within the initially-designated Board of Directors’ Evaluation Period due to unavoidable circumstances, the Board of Directors may extend the Board of Directors’ Evaluation Period by up to an additional thirty (30) days (excluding the first day) to the extent reasonably necessary (however, the extension may be made only once). In determining whether to do so, the Board of Directors will, after obtaining advice from External Experts as necessary, explain the necessity of and reasons for the extension to the Special Committee, consult with the Special Committee regarding whether to extend the Board of Directors’ Evaluation Period, and respect the Special Committee’s recommendation to the maximum extent. If the Board of Directors resolves to extend the Board of Directors’ Evaluation Period, it will promptly notify the Large-Scale Purchaser of the extension of the period and the reasons for the extension and will publicly disclose the same.

The Large-Scale Purchaser may commence the Large-Scale Purchase only after the expiry of the Board of Directors’ Evaluation Period. For handling of the case where a Shareholders’ Meeting to Confirm Shareholders’ Intent is to be convened, please refer to 3(1)(iii) below.

### 3. The Plan to Respond to Commencement of Large-Scale Purchase

#### (1) Conditions for Triggering Countermeasures

##### (i) Cases where a Large-Scale Purchaser commences a Large-Scale Purchase without complying with the Large-Scale Purchase Rules

##### (A) Cases where countermeasures are triggered based on the recommendation of the Special Committee

When a Large-Scale Purchaser commences or intends to commence a Large-Scale Purchase without complying with the Large-Scale Purchase Rules, the Board of Directors may, regardless of the specific details, such as the terms and method thereof, deem it to be a Large-Scale Purchase that would materially damage the Company's corporate value and the common interests of its shareholders and trigger necessary and proportionate countermeasures to secure and enhance the Company's corporate value and the common interests of its shareholders. In evaluating the Large-Scale Purchaser's compliance with the Large-Scale Purchase Rules, circumstances on the Large-Scale Purchaser's side, such as the possibility of the Large-Scale Purchaser not necessarily holding detailed information regarding the Company, must be taken into consideration to a reasonable extent; the Large-Scale Purchaser will not be held not to comply with the Large-Scale Purchase Rules solely because it fails to provide some of the Large-Scale Purchase Information requested by the Board of Directors.

In this case, as stated in 4.(1)(ii) below, prior to triggering countermeasures, the Board of Directors will consult with the Special Committee regarding whether to trigger countermeasures, and, in response to such consultation, the Special Committee, seeking advice from External Experts as necessary, will make a recommendation to the Board of Directors regarding whether to trigger countermeasures. In determining whether to trigger countermeasures, the Board of Directors will respect the recommendation of the Special Committee to the maximum extent. In this case, a shareholders' meeting to confirm the intent of shareholders regarding whether to trigger countermeasures ("**Shareholders' Meeting to Confirm Shareholders' Intent**") is not required to be convened.

##### (B) Cases where countermeasures are triggered based on a resolution of a Shareholders' Meeting to Confirm Shareholders' Intent

Notwithstanding (A) above, when (x) the Special Committee recommends that a Shareholders' Meeting to Confirm Shareholders' Intent be convened, or (y) when, after considering various circumstances, such as the substance of the Large-Scale Purchase and the time constraints, the Board of Directors determines that it is possible in practice to confirm the intent of shareholders and it is appropriate to do so based on, among other considerations, laws and regulations and the duty of care of a good manager of the Company's directors, the Board of Directors may convene a Shareholders' Meeting to Confirm Shareholders' Intent to confirm the intent of shareholders regarding whether to trigger countermeasures (in the case of (y) above, instead of consultation with the Special Committee), and ask the shareholders to decide whether to trigger countermeasures.

##### (ii) Cases where a Large-Scale Purchaser commences a Large-Scale Purchase in compliance with the Large-Scale Purchase Rules

When a Large-Scale Purchaser commences or intends to commence a Large-Scale Purchase in compliance with the Large-Scale Purchase Rules, even if the Board of Directors objects to such Large-Scale Purchase, the Board of Directors will, as a rule, not trigger countermeasures against such Large-Scale Purchase although the possibility of taking other actions, such as expressing its objections, presenting alternative proposals, or providing further explanations to shareholders is not precluded. Each shareholder will decide whether to accept the proposal of the Large-Scale Purchase based on the information regarding such Large-Scale Purchase provided by the Large-Scale Purchaser, and opinions on and alternative proposals thereto by the Board of Directors.

Notwithstanding the foregoing, even if a Large-Scale Purchaser commences or intends to commence a Large-Scale Purchase in compliance with the Large-Scale Purchase Rules, if it falls under either case (A) or (B) below, the Board of Directors may trigger the necessary and proportionate countermeasures to secure and enhance the Company's corporate value and the common interests of its shareholders.

(A) Cases where countermeasures are triggered based on the recommendation of the Special Committee

If a Large-Scale Purchase falls under any of the cases in Exhibit 4 (for example, it is intended for the sole purpose of the Large-Scale Purchaser's own short-term interest) and it is clear that such Large-Scale Purchase will materially damage the Company's corporate value and the common interests of its shareholders, the Board of Directors may trigger the necessary and proportionate countermeasures to secure and enhance the Company's corporate value and the common interests of its shareholders.

In this case, as stated in 4(1)(ii) below, prior to triggering countermeasures, the Board of Directors will consult with the Special Committee regarding whether to trigger countermeasures, and, in response to such consultation, the Special Committee, seeking advice from External Experts as necessary, will make a recommendation to the Board of Directors regarding whether to trigger countermeasures. In determining whether to trigger countermeasures, the Board of Directors will respect the recommendation of the Special Committee to the maximum extent. In this case, a Shareholders' Meeting to Confirm Shareholders' Intent is not required to be convened in order to trigger countermeasures.

(B) Cases where countermeasures are triggered based on a resolution of a Shareholders' Meeting to Confirm Shareholders' Intent

If (x) the Special Committee recommends that a Shareholders' Meeting to Confirm Shareholders' Intent be convened, or (y) a Large-Scale Purchase is deemed to materially damage the Company's corporate value and the common interests of its shareholders (including in a case not falling under any of the cases in Exhibit 4), the Board of Directors may convene a Shareholders' Meeting to Confirm Shareholders' Intent and ask the shareholders to decide whether to trigger countermeasures against the Large-Scale Purchaser. In the case of (y) above, when a Shareholders' Meeting to Confirm Shareholders' Intent is held, the Board of Directors is not required to consult with the Special Committee in order to trigger countermeasures.

(iii) Handling of the case where a Shareholders' Meeting to Confirm Shareholders' Intent is to be held

If the Board of Directors convenes a Shareholders' Meeting to Confirm Shareholders' Intent, it shall comply with a resolution of the Shareholders' Meeting to Confirm Shareholders' Intent regarding whether to trigger countermeasures. Unless otherwise provided by laws and regulations or the Company's Articles of Incorporation, a resolution of a Shareholders' Meeting to Confirm Shareholders' Intent shall be passed by the majority of the voting rights of the shareholders present at such meeting.

When the Board of Directors convenes a Shareholders' Meeting to Confirm Shareholders' Intent, it shall hold the Shareholders' Meeting to Confirm Shareholders' Intent on the earliest day procedurally possible after the expiry of the Board of Directors' Evaluation Period, and submit a proposal regarding the approval to trigger countermeasures against the Large-Scale Purchase.

Where the Board of Directors decides to convene a Shareholders' Meeting to Confirm Shareholders' Intent, a Large-Scale Purchaser shall not commence a Large-Scale Purchase until the close of the Shareholders' Meeting to Confirm Shareholders' Intent.

Where the Shareholders' Meeting to Confirm Shareholders' Intent is not convened, the Large-Scale Purchaser may commence the Large-Scale Purchase after the expiry of the Board of Directors' Evaluation Period, as stated in 2.(3) above.

(2) Substance of Countermeasures

As countermeasures under the Plan, the Company expects to use an allotment of share options ("**Share Options**") without contribution or other countermeasures available under laws and regulations or the Company's Articles of Incorporation. When selecting the countermeasures, the Board of Directors will decide the proportionate countermeasures to secure and enhance the Company's corporate value and the common interests of its shareholders as necessary, by comprehensively considering the effect and cost thereof so as to avoid economic burdens or disadvantages for shareholders other than the Large-Scale Purchaser as much as possible.

An outline of the Share Options is set forth in Exhibit 5.



In order to ensure the flexible triggering of countermeasures through the allotment of Share Options without contribution, the Company is considering registering issuances of Share Options.

#### **4. System and Procedures to Secure the Reasonableness and Fairness of the Plan**

##### **(1) Establishment of Special Committee and Procedures for Consultation and Other Matters**

###### **(i) Establishment of Special Committee**

The Board of Directors will make a final decision on (i) whether a given act constitutes a Joint And Coordinated Act that qualifies as a Large-Scale Purchase to which the Plan applies, (ii) whether to request additional Large-Scale Purchase Information from a Large-Scale Purchaser, whether to provide an Information Provision Completion Notice to a Large-Scale Purchaser, (iii) whether to extend the Board of Directors' Evaluation Period, (iv) whether to trigger countermeasures, and (v) whether to maintain triggered countermeasures. To secure the reasonableness and fairness of such decision, the Company will establish a Special Committee as an organization independent from the Board of Directors, in accordance with the Special Committee Rules (outlined in Exhibit 6).

It is planned that three (3) members in total (i.e., Mr. Tomonori Nonomura, Mr. Takeshi Himeno, and Mr. Yudai Miyake) will be appointed as members of the Special Committee ("**Special Committee Members**") at the introduction of the Plan. The career summary of each Special Committee Member is as stated in Exhibit 7 "Career Summary of Special Committee Members". Each Member is either an outside director or an outside auditor independent from the Company and has been registered as an independent director/auditor of the Company with financial instruments exchanges on which the Company is listed.

###### **(ii) Procedures for Triggering Countermeasures**

Where the Board of Directors triggers countermeasures, it shall follow the procedures below to secure the reasonableness and fairness of such decision (unless it convenes a Shareholders' Meeting to Confirm Shareholders' Intent).

First, prior to triggering countermeasures, the Board of Directors will consult with the Special Committee regarding whether to trigger countermeasures, and, in response to such consultation, the Special Committee, after seeking advice from External Experts as necessary, will make a recommendation to the Board of Directors regarding whether to trigger countermeasures. In making a decision on whether to trigger countermeasures, the Board of Directors shall respect the recommendation of the Special Committee to the maximum extent.

When the Board of Directors triggers countermeasures, it will resolve to do so after obtaining the approval of all auditors of the Company (including outside auditors; however, excluding auditors who are not able to attend the relevant Board of Directors meeting due to an accident or other unavoidable reasons).

The Board of Directors shall decide whether to trigger countermeasures, based on the above consultation with the Special Committee and the information provided by the Large-Scale Purchaser, seeking advice from External Experts as necessary, and after considering the specific features of the Large-Scale Purchaser and the Large-Scale Purchase, as well as the effect of such Large-Scale Purchase on the Company's corporate value and the common interests of its shareholders.

###### **(iii) Voluntary Consultation with Special Committee**

Where the Board of Directors intends to present alternative proposals to the shareholders, or in other cases where the Board of Directors deems it necessary, it may voluntarily consult with the Special Committee on matters other than (i) whether a given act constitutes a Joint And Coordinated Act that qualifies as a Large-Scale Purchase to which the Plan applies, (ii) whether to request additional Large-Scale Purchase Information from a Large-Scale Purchaser, whether to provide an Information Provision Completion Notice to the Large-Scale Purchaser, (iii) whether to extend the Board of Directors' Evaluation Period, (iv) whether to trigger countermeasures, or (v) whether to maintain triggered countermeasures. If such consultation is requested, the Special Committee, seeking advice from External Experts as necessary, will consider the consulted matter and

make a recommendation to the Board of Directors. The Board of Directors will respect the recommendation of the Special Committee on the matter to the maximum extent.

(2) Confirmation of Shareholders' Intent

(i) Confirmation of Shareholders' Intent regarding Introduction of the Plan

To confirm the shareholders' intent regarding the introduction of the Plan, the Company resolved, at the Board of Directors meeting held on May 8, 2025, to submit a proposal regarding the introduction of the Plan at the Annual General Shareholders' Meeting and resolved to introduce the Plan to replace the Original Plan, the effective term of which will expire as of the close of the Annual General Shareholders' Meeting, subject to the approval of a majority of the voting rights of the shareholders present at the Annual General Shareholders' Meeting. Therefore, if the proposal is not approved by the majority of the voting rights of the shareholders present at the Annual General Shareholders' Meeting, the Plan will not be introduced and the Original Plan will be terminated upon the expiration of the effective term at the close of the Annual General Shareholders' Meeting.

(ii) Confirmation of Shareholders' Intent regarding Triggering Countermeasures

As stated in 3.(1) above, in the prescribed cases, prior to triggering countermeasures, the Board of Directors may convene a Shareholders' Meeting to Confirm Shareholders' Intent to confirm the shareholders' intent regarding whether to trigger countermeasures and to ask the shareholders present thereat to decide whether to trigger countermeasures against the Large-Scale Purchaser.

(3) Discontinuance or Withdrawal of Triggered Countermeasures

Even where the Board of Directors has triggered countermeasures in accordance with the Plan, (a) if the Large-Scale Purchaser discontinues or withdraws the Large-Scale Purchase or (b) if the facts or other circumstances on which the decision whether to trigger countermeasures was based have changed, leading to a situation where it would be inappropriate to maintain the triggered countermeasures from the viewpoint of securing and enhancing the Company's corporate value and the common interests of its shareholders, the Board of Directors shall, after presenting the specific circumstances of why either (a) or (b) has occurred, consult with the Special Committee regarding whether to maintain the triggered countermeasures and consider whether to discontinue or withdraw the triggered countermeasures, seeking advice from External Experts as necessary. The Special Committee shall, in response to such consultation, after seeking advice from External Experts as necessary, consider whether to maintain the triggered countermeasures and make a recommendation to the Board of Directors. When deciding whether to maintain the triggered countermeasures, the Board of Directors shall respect the recommendation of the Special Committee to the maximum extent.

Based on the recommendation of the Special Committee above, if the Board of Directors decides that either of events (a) or (b) above has occurred, it shall discontinue or withdraw the triggered countermeasures by its resolution and shall promptly disclose that fact in accordance with the applicable laws and regulations and the rules of financial instruments exchanges.

Notwithstanding the foregoing, if an allotment of Share Options without contribution is triggered as a countermeasure, until two (2) business days prior to the date of ex-rights ("**Ex-rights Date**") regarding the Allotment Date (as defined in paragraph 1 of Exhibit 5; hereinafter the same) of Share Options, the allotment of Share Options without contribution may be discontinued or withdrawn. However, on and after one (1) business day prior to the Ex-rights Date, the allotment of Share Options without contribution shall not be discontinued or withdrawn, in order to prevent investors who acquired the Company shares prior to the Ex-rights Date and then sold the Company shares anticipating dilution of the per-share value of the Company shares as a result of such allotment of Share Options without contribution, from suffering damage due to the discontinuance or withdrawal of the allotment of Share Options without contribution.

(4) Effective Term, Abolition and Modification of the Plan

The effective term of the Plan shall be until the close of the Company's 137th annual general shareholders' meeting to be held in 2028.

Even before the expiration of such effective term, if (a) a shareholders' meeting of the Company approves a

proposal to abolish or modify the Plan or (b) the Board of Directors resolves to abolish the Plan, the Plan will be abolished or modified at the time of such approval or resolution. Further, even before the expiration of such effective term, (c) the Board of Directors shall discuss whether to continue the Plan at its meetings to be held immediately after the close of the Company's annual general shareholders' meeting in each year starting from 2026, and if the Board of Directors fails to resolve to approve the continuation of the Plan, the Plan shall be abolished at the time of such failure.

If the Plan is abolished or modified, the Company will promptly disclose the fact that it has been abolished or modified and other matters deemed appropriate by the Board of Directors, in accordance with the applicable laws and regulations and the rules of financial instruments exchanges.

## **5. Reasonableness of the Plan**

### **(1) The Plan Fully Satisfies Requirements in the Guidelines for Takeover Response Policies**

The Plan fully satisfies the three principles set forth in the "Guidelines Regarding Takeover Defense Measures for the Purposes of Protection and Enhancing Corporate Value and Shareholders' Common Interests" jointly released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 ((a) the principle of protecting and enhancing corporate value and shareholders' common interests, (b) the principle of prior disclosure and shareholders' will, and (c) the principle of ensuring the necessity and reasonableness of defensive measures), as well as the three principles (corporate value and shareholders' common interests, shareholders' intent, and transparency) set forth in the "Guidelines for Corporate Takeovers — Enhancing Corporate Value and Securing Shareholders' Interests—" released by the Ministry of Trade, Economy and Industry on August 31, 2023. The Plan takes into account the details of "Takeover Defense Measures in view of Recent Environmental Changes" released by the Corporate Value Study Group on June 30, 2008, and the aforementioned METI guidelines dated August 31, 2023, as well as other arguments and discussions related to takeover response policies. The Plan also conforms to the purposes of the rules and regulations related to the introduction of takeover response policies established by Tokyo Stock Exchange Inc. and other financial instruments exchanges. The Company has resolved to implement both principles related to takeover response policies provided in Japan's Corporate Governance Code (Principle 1.5 and Supplementary Principle 1.5.1).

### **(2) The Plan Is Introduced to Secure and Enhance the Company's Corporate Value and Common Interests of Shareholders**

As stated in 1. above, for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders, the Board of Directors decided to introduce the Plan in order to request that a Large-Scale Purchaser provide in advance the necessary information regarding a Large-Scale Purchase and secure the necessary period for shareholders to evaluate and examine, etc. the details of the Large-Scale Purchase; and take necessary and proportionate countermeasures against the Large-Scale Purchase if the Large-Scale Purchase is deemed to materially damage the Company's corporate value and the common interests of its shareholders.

### **(3) The Plan Respects the Company's Shareholders' Opinions (Shareholders' Meeting and Sunset Clause)**

As stated in 4.(2)(i) above, to confirm the shareholders' intent regarding the introduction of the Plan, the Company resolved, at the Board of Directors meeting held on May 8, 2025, to submit a proposal regarding the introduction of the Plan at the Annual General Shareholders' Meeting and resolved to introduce the Plan, subject to the approval of the majority of the voting rights of the shareholders present at the Annual General Shareholders' Meeting.

Also, as stated in 4.(2)(ii) above, in the prescribed cases, prior to triggering countermeasures, the Board of Directors may convene a Shareholders' Meeting to Confirm Shareholders' Intent to confirm the shareholders' intent regarding whether to trigger countermeasures and to ask the shareholders present thereat to decide whether to trigger countermeasures against the Large-Scale Purchaser.

Further, as stated in 4.(4) above, the effective term of the Plan shall be until the close of the Company's 137th annual general shareholders' meeting to be held in 2028. Even before the expiration of such effective term, if (a) a shareholders' meeting of the Company approves a proposal to abolish or modify the Plan or (b) the Board of Directors resolves to abolish the Plan, the Plan will be abolished or modified at the time of such approval or resolution.

In addition, even before the expiration of such effective term, if (c) the Board of Directors discusses whether to continue the Plan at its meetings to be held immediately after the close of the Company's annual general shareholders' meeting in each year from 2026 and fails to resolve that it approve the continuation of the Plan, the Plan shall be abolished at the time of such failure.

(4) Establishment of Reasonable and Objective Conditions for Triggering Countermeasures

As stated in 3.(1) above, the Plan is established in such a way that countermeasures will not be triggered unless reasonable and objective conditions have been satisfied; therefore, the Plan secures a structure that will prevent the Board of Directors from arbitrarily triggering any countermeasure. Regarding the types of Large-Scale Purchases in respect of which the Company can trigger countermeasures without convening a Shareholders' Meeting to Confirm Shareholders' Intent in response to a Large-Scale Purchase conducted in compliance with the Large-Scale Purchase Rules, it was decided to limit these types to five types of abusive acquisitions in respect of which it is obvious, from an objective viewpoint, that they would materially damage the Company's corporate value and the common interests of its shareholders; namely, (i) the four types described in the Tokyo High Court's ruling on the so-called Nippon Broadcasting System case (Exhibit 4, paragraphs 1 to 4) and (ii) coercive two-step acquisitions (Exhibit 4, paragraph 5) (however, as stated in 3.(1)(ii)(A) above, even if a Large-Scale Purchase falls under any of these types, consultation with the Special Committee is required unless pursuant to a resolution by the Shareholders' Meeting to Confirm Shareholders' Intent).

(5) Establishment of Special Committee

As stated in 4.(1)(i) above, to secure the reasonableness and fairness of the decision of the Board of Directors on (i) whether a given act constitutes a Joint And Coordinated Act that qualifies as a Large-Scale Purchase to which the Plan applies, (ii) whether to request additional Large-Scale Purchase Information from a Large-Scale Purchaser, whether to provide an Information Provision Completion Notice to a Large-Scale Purchaser, (iii) whether to extend the Board of Directors' Evaluation Period, (iv) whether to trigger countermeasures, and (v) whether to maintain triggered countermeasures, and to otherwise secure the reasonableness and fairness of the Plan, the Company provides in the Plan the establishment of a Special Committee consisting of outside directors and outside auditors who are independent directors/auditors of the Company as an organization independent from the Board of Directors.

Accordingly, the Plan secures a structure for preventing the Board of Directors from arbitrarily administering the Plan and triggering countermeasures.

(6) The Plan Is Not a Dead-Hand Response Policy

As stated in 4.(4) above, the effective term of the Plan shall be until the close of the Company's 137th annual general shareholders' meeting to be held in 2028, and even before the expiration of such effective term, the Plan may be abolished at any time by the Board of Directors consisting of the directors appointed at the Company's shareholders' meeting. Therefore, the Plan is not a "dead-hand" response policy (a response measure in which the triggering of countermeasures cannot be prevented even after a majority of the members of the board of directors are replaced).

## **6. Impact on Shareholders and Investors**

(1) Impact on Shareholders and Investors upon Introduction of the Plan

Upon the introduction of the Plan, the Company will not conduct an allotment of Share Options without contribution. Accordingly, the Plan will not have a direct and concrete impact on the legal rights and economic interests of shareholders and investors with respect to the Company shares held by them upon the introduction of the Plan.

(2) Impact on Shareholders and Investors upon Allotment of Share Options Without Contribution

When the Board of Directors decides to trigger countermeasures and resolves to conduct an allotment of Share Options without contribution, one Share Option will be allotted to the shareholders recorded in the latest shareholder registry as of the Allotment Date without contribution for one share held by them. Given the

structure of this countermeasure, the per-share economic value of the Company shares held by shareholders and investors is expected to be diluted upon the allotment of Share Options without contribution; however, the economic value of the entire Company shares held by shareholders and investors will not be diluted, nor will the voting rights per Company share be diluted; thus, it is not anticipated that this will have any direct and concrete impact on the legal rights and economic interests of shareholders and investors with respect to the entire Company shares held by them.

Even if the Board of Directors resolves to conduct an allotment of Share Options without contribution, as stated in 4.(3) above, the Company may discontinue or withdraw the allotment of Share Options without contribution until two (2) business days prior to the Ex-rights Date because a Large-Scale Purchaser withdraws a Large-Scale Purchase or for other reasons; however, on and after one (1) business day prior to the Ex-rights Date, the Company will not discontinue or withdraw the allotment of Share Options without contribution.

Further, since discriminatory terms and conditions are planned to be attached for the exercise or acquisition of Share Options, it is anticipated that the legal rights, etc. of the Large-Scale Purchaser will be diluted upon such exercise or acquisition. Even in such cases, however, it is not anticipated that this will have any direct and concrete impact on the legal rights and economic interests of shareholders and investors other than the Large-Scale Purchaser with respect to the entire Company shares held by them.

### (3) Procedures Required for Shareholders upon Allotment of Share Options Without Contribution

Regarding the procedures for allotment of Share Options without contribution, Share Options will be automatically granted on the effective date of allotment of Share Options without contribution, to the shareholders recorded in the shareholder registry as of the Allotment Date. Therefore, no application procedures are required.

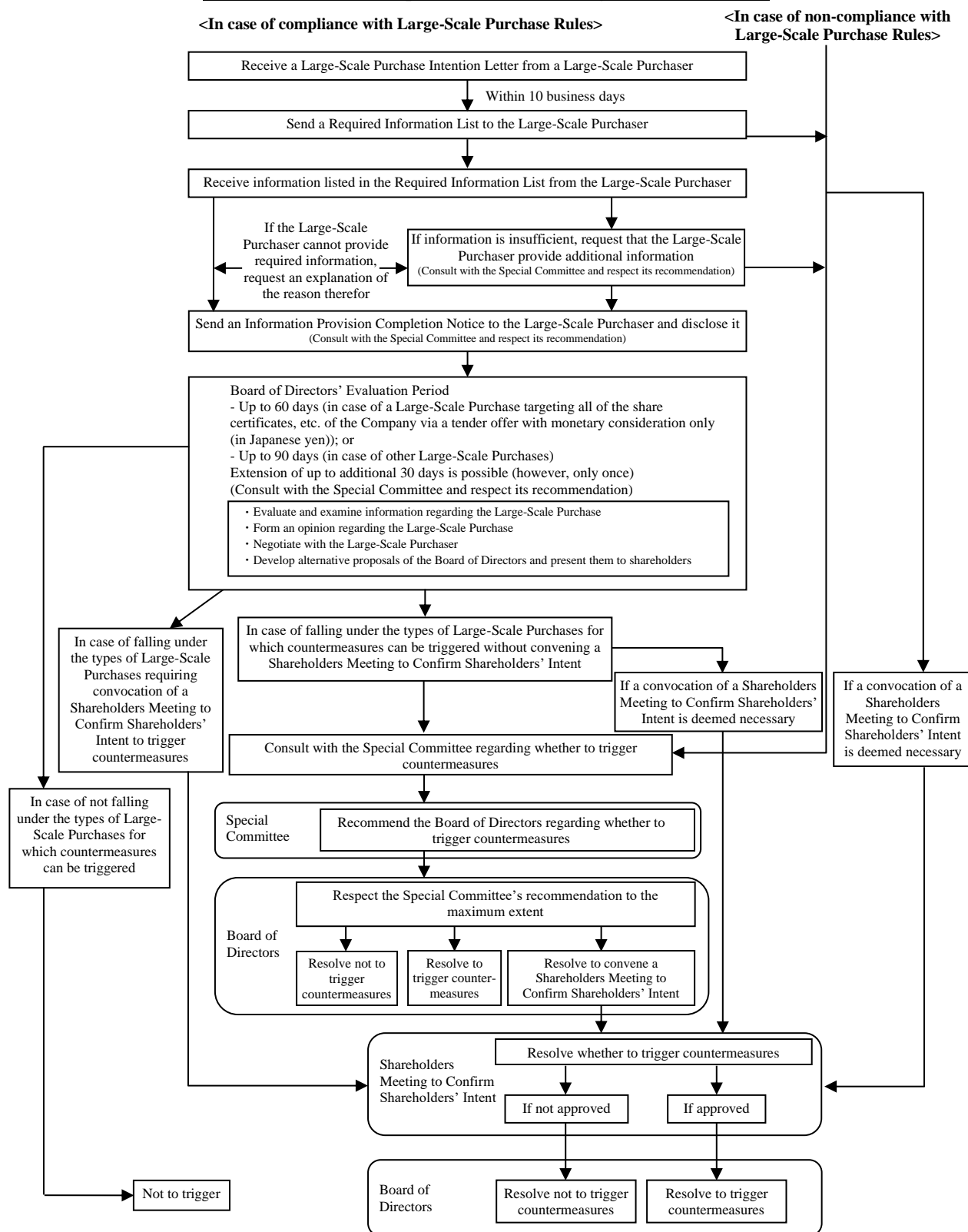
Also, shareholders may have to exercise their Share Options within a prescribed period to acquire new shares (a certain monetary payment will be required therefor). In such cases, the Company will disclose the detailed procedures therefor in a timely and appropriate manner, in accordance with the applicable laws and regulations and the rules of financial instruments exchanges.

## 7. Other

The Plan was determined at the Board of Directors meeting held on May 8, 2025, with the unanimous approval of directors, including four (4) outside directors, present thereat. All auditors of the Company, including two (2) outside auditors, attended the Board of Directors meeting, and all auditors stated that they agree to the Plan. The Board of Directors will continue to carefully look at various circumstances, including changes in social and economic situations in the future and arguments about takeover response policies, and will take appropriate measures from time to time from the viewpoint of securing and enhancing the Company's corporate value and the common interests of its shareholders, including revision of the Plan as necessary or the introduction of different takeover response policies to replace the Plan.

End

### Flow Chart of the Response Policies to Large-Scale Purchases



\*The above flow chart is prepared for reference purposes only to explain the outline of the Large-Scale Purchase Rules under the "Response Measures to Large-Scale Purchases of the Company's Share Certificates, Etc. (Takeover Response Policies)" (the Plan). For details, please refer to the main text of the Plan.

**Stock Information of the Company (as of March 31, 2025)**

1. Total number of authorized shares: 440,000,000 shares
2. Total number of issued shares: 108,900,000 shares
3. Number of shareholders: 25,404
4. Principal shareholders (top 10)

	Name of Shareholder	Number of Shares Owned (shares)	Ratio of Number of Shares Owned Relative to Total Number of Issued Shares (%)
1	The Master Trust Bank of Japan, Ltd. (Trust Accounts)	11,339,300	10.41
2	IINO LINES' Client Stock Ownership	6,085,850	5.58
3	Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,211,275	3.86
4	Mizuho Bank, Ltd.	4,210,000	3.86
5	Custody Bank of Japan, Ltd. (Trust Accounts)	3,552,100	3.26
6	Takenaka Corporation	3,350,000	3.07
7	Sumitomo Mitsui Trust Bank, Limited	3,100,000	2.84
8	Misuga Kaiun Co., Ltd.	2,477,800	2.27
9	Nippon Life Insurance Company	2,256,300	2.07
10	The Toa Reinsurance Company, Limited	2,253,100	2.06

(Note) In addition to the shares described above, the Company holds 3,096,941 treasury shares.

**Recognition Criteria of Joint and Coordinated Act**

- These criteria shall be used as follows: (i) in recognizing a given act as a “Large-Scale Purchase,” which will be the basis for recognizing a given person as a “Large-Scale Purchaser,” criteria to determine whether the act constitutes an act which establishes a “relationship between the relevant specific shareholders’ group and one or more other shareholders of the Company in which one substantially controls the other or where they act jointly or in coordination”; and (ii) in recognizing a given person as an “Ineligible Party,” including a Large-Scale Purchaser, and further recognizing that person as an “affiliated party” of another person, criteria to determine whether the person constitutes a “person who substantially controls the person, is controlled by the person, or is under common control with the person, or a person acting substantially jointly or in coordination with the person.”
- As used below, the term “**Specific Shareholders’ Group Et Al.**” collectively means (i) “the specific shareholders’ group” in recognizing whether a given act constitutes an act to establish a “relationship between the relevant specific shareholders’ group and one or more other shareholders of the Company in which one substantially controls the other or where they act jointly or in coordination,” (ii) a “person” in recognizing whether the person constitutes an “affiliated party” of another person, and (iii) the parent company(ies) and subsidiary(ies) of either of (i) or (ii) above, as well as their officers and major shareholders.
- The recognition shall be made by considering all factors related to the person subject to recognition (including its parent company(ies), subsidiary(ies), and other entities that should be considered equivalent to that person; hereinafter the “**Person Subject to Recognition**”), including whether there is any direct or indirect evidence suggesting that there is no communication with a specific shareholder of the Company, in addition to the factors listed below:
  1. Whether the period during which the Company’s share certificates, etc. are held overlaps with the period during which actions are being taken by the Specific Shareholders’ Group Et Al. to substantially acquire the Company’s management control or to obtain substantial power to influence its business management, such as acquiring the Company’s share certificates, etc. or making important suggestions, etc.;
  2. Whether the number of the Company’s share certificates, etc. acquired has reached a non-negligible quantity;
  3. Whether the acquisition of the Company’s share certificates, etc. was commenced in close proximity to (i) the commencement of an action by the Specific Shareholders’ Group Et Al. to substantially acquire the Company’s management control or to obtain substantial power to influence its business management, such as the commencement of the acquisition of the Company’s share certificates, etc. by the Specific Shareholders’ Group Et Al. or the announcement of the intention of the Specific Shareholders’ Group Et Al. to acquire management control over the Company or to make important suggestions, etc., or (ii) any matter, event or the like that is related to an action of the Specific Shareholders’ Group Et Al., such as the record date of a general shareholders meeting whose agenda includes any item related to the Plan.
  4. Whether there are any common characteristics, i.e., the timing and manner of the acquisition of the Company’s share certificates, etc. by the Specific Shareholders’ Group Et Al. (for example, whether margin buying or other similar methods are used), such as the acquisition of the Company’s share certificates, etc. at the same time during the period when the trading conditions of the Company’s share certificates, etc. in the market are abnormal (for example, when the trading volume is significantly higher than the average trading volume, or when the share price is significantly higher than the average share price during any previous period);
  5. Whether the Person Subject to Recognition once held share certificates, etc. of another listed company whose share certificates, etc. are (or were) held by the Specific Shareholders’ Group Et Al., and whether the timing of such acquisition or the period of holding overlaps with those of the Specific Shareholders’ Group Et Al.;



6. During the overlapping period in 5. above, whether the exercise of shareholder's rights (common benefit rights) against such other listed company by the Person Subject to Recognition was aligned with that of the Specific Shareholders' Group Et Al. If so, what was the extent of the alignment in light of factors such as the type and details of the shareholder's rights, and the results of exercising the shareholder's rights?;
7. If any directors or other officers of such other listed company referred to in 5. above are appointed or dismissed as a result of exercising voting rights or other common benefit rights by the relevant Person Subject to Recognition and the Specific Shareholders' Group Et Al. (and shareholders, if any, other than the Person Subject to Recognition, who have exercised their voting rights or other common benefit rights in alignment with the Specific Shareholders' Group Et Al.), whether the corporate value or shareholder value of such other listed company will likely be damaged during the terms of office of the officers after the change (for example, the occurrence of any event that constitutes or may constitute a material violation of any law or regulation, delisting, designation as Securities on Special Alert (*tokusetsu kaiji chui meigara*), bankruptcy or other legal insolvency proceedings, or issuance of shares or share options with large-scale dilution). If so, what is the extent to which the corporate value or shareholder value could be damaged?;
8. Whether the Person Subject to Recognition has or had any direct or indirect investment or loan relationship with the Specific Shareholders' Group Et Al.;
9. Whether the Person Subject to Recognition has or had any direct or indirect personal relationship with the Specific Shareholders' Group Et Al., such as an interlocking officership, kinship (including a similar relationship, such as a common-law marriage relationship; hereinafter the same), a business relationship, or a relationship within his or her alma mater or other community, or other personal relationship where one is an employee, member, or other constituent member of the other;
10. Whether the exercise of shareholder rights (common benefit rights) by the Person Subject to Recognition against the Company was aligned with that of the Specific Shareholders' Group Et Al. If so, what was the extent of the alignment in light of factors such as the type and details of the shareholder's rights exercised, and the results of the exercise of shareholder's rights? (Note that this item 10 shall not be relied upon as the sole basis for recognizing the Person Subject to Recognition as an "Ineligible Party".);
11. Whether the statements and actions of the Person Subject to Recognition related to the Company's business and management policy are similar to those of the Specific Shareholders' Group Et Al. If so, what is the extent of the similarity in light of the timing and details of such statements and actions? (Note that this item 11 shall not be relied upon as the sole basis for recognizing the Person Subject to Recognition as an "Ineligible Party".);
12. Whether an agent of or advisor to the Person Subject to Recognition has a direct or indirect relationship that facilitates communications with the Specific Shareholders' Group Et Al., such as that the agent or advisor (i) belongs or belonged to the same office, corporation, or organization as that of the Specific Shareholders' Group Et Al., (ii) has a business alliance therewith, (iii) worked jointly or in coordination therewith on similar projects, and/or (iv) has kinship or other personal relationship with the Specific Shareholders' Group Et Al.; and
13. Whether there is any other direct or indirect evidence suggesting communications between the Person Subject to Recognition and the Specific Shareholders' Group Et Al.

**Types of Large-Scale Purchases Which Would Obviously Be Deemed to Materially Damage the Company's Corporate Value and the Common Interests of its Shareholders**

1. Where the Large-Scale Purchaser is found to be a person who does not have a bona fide intention to participate in the management of the Company but is commencing or intending to commence a Large-Scale Purchase for the purpose of making parties related to the Company buy back the Company's share certificates, etc. at an inflated stock price (a so-called "green mailer");
2. Where the Large-Scale Purchaser is found to be commencing or intending to commence a Large-Scale Purchase for the purpose of temporarily controlling the management of the Company to cause it to transfer to the Large-Scale Purchaser, its group companies, or other related parties the Company's or its group companies' assets, such as intellectual property rights, know-how, confidential business information, major business partners, or customers, which are essential to the Company's or its group companies' business operations;
3. Where the Large-Scale Purchaser is found to be commencing or intending to commence a Large-Scale Purchase for the purpose of utilizing the Company's or its group companies' assets as collateral or funds for the repayment of the obligations of such Large-Scale Purchaser, its group companies, or other related parties after taking control over the management of the Company;
4. Where the Large-Scale Purchaser is found to be commencing or intending to commence a Large-Scale Purchase for the purpose of temporarily controlling the management of the Company to cause it to sell or otherwise dispose of real property, ships or other equipment, intellectual property rights, securities, or other high value assets, which are irrelevant to the Company's or its group companies' business for the time being, and then cause it to distribute high dividends temporarily with gains from such disposition, or sell the Company's share certificates, etc. at a high price, seizing the opportunity presented by a sharp rise in the stock price caused by such temporary high dividend payments; or
5. Where the method of purchasing the Company's share certificates, etc. proposed by the Large-Scale Purchaser is found to constitute a so-called coercive two-step acquisition (meaning a purchase, including a tender offer, of share certificates, etc. in a manner wherein a purchaser does not solicit all of the Company's share certificates, etc. during the first-stage acquisition under which a purchaser sets unfavorable conditions, or does not set clear conditions, for the second-stage acquisition).

End

### **Outline of Share Options**

#### 1. Shareholders to Whom Allotment May Be Made

The Share Options shall be allotted without contribution to the shareholders recorded in the latest shareholder registry on a certain date separately designated by the Board of Directors (the “**Allotment Date**”) when adopting a resolution of the Board of Directors for the allotment of Share Options without contribution (a “**Resolution for Allotment of Share Options Without Contribution**”) at the ratio of one (1) Share Option per common share of the Company held by those shareholders (however, the Company’s common shares held by the Company at that time shall be excluded).

#### 2. Effective Date of Allotment of Share Options Without Contribution

The Board of Directors will separately designate the effective date when adopting a Resolution for Allotment of Share Options Without Contribution.

#### 3. Type and Number of Shares Underlying Share Options

The type of shares underlying the Share Options will be the Company’s common shares, and the number of shares underlying one (1) Share Option (the “**Number of Underlying Shares**”) shall be one (1) share; however, if the Company effects, among other acts, a share split or consolidation of shares, the necessary adjustments shall be made.

#### 4. Total Number of Share Options to Be Allotted

The total number of Share Options to be allotted shall be equal to the latest total number of issued common shares of the Company as of the Allotment Date (however, the number of the Company’s common shares held by the Company at that time shall be excluded).

#### 5. Substance and Value of Assets Required for Exercise of Share Options

The form of assets required for the exercise of the Share Options shall be cash, and the amount of assets required for the exercise of the Share Options shall be not less than one (1) yen per common share of the Company and shall be an amount separately determined by the Board of Directors when adopting a Resolution for Allotment of Share Options Without Contribution.

#### 6. Restriction on Transfer of Share Options

Any transfer of the Share Options shall require the approval of the Board of Directors.

#### 7. Conditions for Exercise of Share Options

No (i) specified large-volume holder (Note 1), (ii) joint holder of a specified large-volume holder, (iii) specified large-volume purchaser (Note 2), (iv) specially related party of a specified large-volume purchaser, (v) assignee or transferee of the Share Options from any of those set forth in (i) through (iv) without obtaining approval from the Board of Directors, or (vi) affiliated party (Note 3) to any of those set forth in (i) through (v) (collectively, the “**Ineligible Parties**”) shall exercise the Share Options. The detailed conditions for the exercise of the Share Options shall be separately determined when adopting a Resolution for Allotment of Share Options Without Contribution.

#### 8. Acquisition by the Company of Share Options

The Company may acquire the Share Options owned by a person other than an Ineligible Party on a day separately designated by the Board of Directors and may deliver the Company’s common shares in the Number of Underlying Shares per Share Option in exchange for such acquisition. The detailed conditions for the

acquisition of the Share Options shall be separately determined when adopting a Resolution for Allotment of Share Options Without Contribution.

9. Exercise Period for Share Options and Other Matters

The exercise period for the Share Options and other necessary matters shall be separately determined by the Board of Directors when adopting a Resolution for Allotment of Share Options Without Contribution.

End

(Note 1) A “specified large-volume holder” means a holder of share certificates, etc. of the Company whose holding ratio of those share certificates, etc. is twenty percent (20%) or more or who, the Board of Directors deems, will become equivalent thereto; however, a person whose acquisition or holding of the Company’s share certificates, etc. is deemed by the Board of Directors not to conflict with the Company’s corporate value or the common interests of its shareholders, and any other person separately designated by the Board of Directors when adopting a Resolution for Allotment of Share Options Without Contribution, shall not fall under this definition.

(Note 2) A “specified large-volume purchaser” means a person who has provided public notice to the effect that they will make a purchase, etc. of share certificates, etc. (meaning share certificates, etc. as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; hereinafter the same in this footnote) issued by the Company, by a tender offer (meaning the tender offer set forth in paragraph 6 of the same Article), the total of whose and whose specially related party’s share certificates, etc. ownership ratio after the purchase, etc. is twenty percent (20%) or more, or who, the Board of Directors of the Company deems, will become equivalent thereto; however, a person whose acquisition or holding of the Company’s share certificates, etc. is deemed by the Board of Directors of the Company not to conflict with the Company’s corporate value or the common interests of its shareholders, and any other person separately designated by the Board of Directors of the Company when adopting a Resolution for Allotment of Share Options Without Contribution, shall not fall under this definition.

(Note 3) An “affiliated party” to a person means a person who substantially controls the person, is controlled by the person, or is under common control with the person (including a person whom the Board of Directors of the Company deems equivalent thereto), or whom the Board of Directors of the Company deems to be a person acting jointly or in coordination with the person. This will be determined in accordance with the criteria provided in Exhibit 3. “Control” means where a person “controls determinations on the financial and business policies” of another company or entity (as defined in Article 3, paragraph 3 of the Ordinance for Enforcement of the Companies Act).

**Outline of Special Committee Rules**

1. A Special Committee shall be established based on a resolution of the Board of Directors.
2. The Special Committee shall be comprised of three (3) or more members (“**Special Committee Members**”), who shall be appointed by the Board of Directors from among outside directors and outside auditors who are independent directors/auditors of the Company.
3. The term of office of a Special Committee Member shall commence when the Board of Directors appoints the person as a Special Committee Member and the person accepts such appointment, or when the introduction of the Plan takes effect, whichever comes later, and shall continue until the close of the first Board of Directors meeting to be held after an annual general shareholders meeting for the last fiscal year ending within three (3) years after the commencement of the term of office, or by the time separately agreed between the Special Committee Member and the Company; however, this shall not apply where there are unavoidable circumstances.
4. A meeting of the Special Committee shall be convened by the President and Representative Director of the Company or any of the Special Committee Members.
5. The chairperson of the Special Committee shall be appointed from among the Special Committee Members.
6. A resolution of the Special Committee meeting shall be adopted with the approval of a majority of the Special Committee Members, all of whom shall attend the meeting (including those who attend the meeting via a telephone or video-conference system, web conferencing system, or other electronic or magnetic means that enable immediate transmission of each attendee’s voice to other attendees and by which the attendees can mutually express their opinions in a timely and appropriate manner; hereinafter the same) unless there are unavoidable circumstances; however, if any of the Special Committee Members is unable to so act or there are any other special circumstances, a resolution of the Special Committee meeting shall be adopted with the approval of a majority of the Special Committee Members, a majority of whom shall attend the meeting.
7. The Special Committee shall make recommendations, with a summary of the reasons therefor, as a rule, for the matters listed in the following items (“**Consultation Matters**”) based on the resolutions by the Special Committee. The Board of Directors shall respect the Special Committee’s recommendations to the maximum extent (however, if a shareholders meeting is held to confirm the shareholders’ intent regarding whether to trigger countermeasures, the Board of Directors shall follow the resolution of the shareholders meeting):
  - (1) whether a given act constitutes a Joint And Coordinated Act that qualifies as a Large-Scale Purchase to which the Plan applies;
  - (2) whether to request additional Large-Scale Purchase Information from a Large-Scale Purchaser;
  - (3) whether to provide an Information Provision Completion Notice to a Large-Scale Purchaser;
  - (4) whether to extend the Board of Directors’ Evaluation Period;
  - (5) whether to trigger countermeasures;
  - (6) whether to maintain triggered countermeasures; and
  - (7) matters on which the Board of Directors consults with the Special Committee among those matters to be decided by the Board of Directors.
8. The Special Committee shall be provided by the Board of Directors and the President and Representative Director of the Company with all materials and information used or examined by the Board of Directors in the course of the procedures under the Large-Scale Purchase Rules and when examining the Consultation Matters.
9. The Special Committee may collect materials and information necessary to examine the Consultation Matters at the Company’s expense, or may request that the Board of Directors collect them. In addition, the Special Committee may have directors, auditors, employees, or other persons whom it

deems necessary attend a meeting of the Special Committee and ask them to explain necessary matters.

10. The Special Committee Members are required to faithfully perform their duties with the duty of care of a prudent manager and shall not conduct any act that may cause any doubt regarding the objectivity and neutrality of the performance of their duties.
11. The Special Committee may obtain advice from External Experts as necessary in order to examine the Consultation Matters on which the Board of Directors has consulted with the Special Committee. The expenses incurred for obtaining such advice shall be fully borne by the Company, as a rule.

**Career Summary of Special Committee Members [To be updated once the Special Committee members are determined]**

1. Tomonori Nonomura

April 1981	Joined Sumitomo Cement Co., Ltd. (currently, Sumitomo Osaka Cement Co., Ltd.)
June 2009	General Manager of Legal Department, Sumitomo Osaka Cement Co., Ltd.
June 2013	Executive Officer, General Manager of Corporate Planning Department and General Manager of Administration Department, Sumitomo Osaka Cement Co., Ltd.
June 2018	Representative Director and President, SOC Logistics Co., Ltd.
June 2021	Director and Advisor, SOC Logistics Co., Ltd.
June 2023	Outside Director of the Company (to present)
June 2023	Special Committee Member of the Company (to present)

2. Takeshi Himeno

April 1987	Joined Asahi Chemical Industry Co., Ltd. (currently, Asahi Kasei Corp.)
October 1988	Dispatched to Sapporo Medical University (two [2] years)
July 2006	General Manager of Development Promotion Department, Clinical Development Center, Asahi Kasei Pharma Corp.
April 2011	Director of Pharmaceutical Research Center, Asahi Kasei Pharma Corp.
April 2013	Director of Pharmaceutical Affairs and Reliability Assurance Center, Asahi Kasei Pharma Corp.
April 2014	Director of Healthcare Corporate Research & Development Center, Corporate Research & Development Division, Asahi Kasei Corp.
April 2015	Executive Officer, Asahi Kasei Corp.
April 2016	Director, Managing Executive Officer and General Manager of Medical Product Development Division, Asahi Kasei Medical Co., Ltd.
April 2017	Representative Director and President, Asahi Kasei Medical Co., Ltd.
April 2019	Senior Executive Officer in charge of Quality Assurance, Asahi Kasei Corp.
April 2022	Advisor, Asahi Kasei Corp. (to present)
June 2024	Outside Director of the Company (to present)
June 2024	Special Committee Member of the Company (to present)

3. Yudai Miyake

October 2006	Registered as an attorney (Tokyo Bar Association)
October 2006	Joined Miyake Law Office (currently Miyake & Karino LPC) (to present)
June 2023	Outside Director, Sanyo Denki Co., Ltd. (to present)
June 2024	Outside Director of the Company (to present)
June 2024	Special Committee Member of the Company (to present)

Mr. Nonomura, Mr. Himeno and Mr. Miyake are registered as independent directors/auditors of the Company with financial instruments exchanges on which the Company is listed.

End