

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 8098

May 30, 2023

To our shareholders:

Katsutaro Inabata
Director, President
Inabata & Co., Ltd.
1-15-14 Minami-semba, Chuo-ku,
Osaka

Notice of Convocation of the 162nd Ordinary General Meeting of Shareholders

This is to notify you of the 162nd Ordinary General Meeting of Shareholders of Inabata & Co., Ltd. (the “Company”), which will be held as indicated below.

When the Company convenes this General Meeting of Shareholders, it took measures for providing information that constitutes the content of Reference Materials for the General Meeting of Shareholders, etc. (matters subject to measures for electronic provision) in electronic format. This is posted in the following websites on the internet so please access either of them to check.

[Dedicated website for posted informational materials for the general meeting of shareholders]

<https://d.sokai.jp/8098/teiji/> (in Japanese)

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access above TSE website and enter and search on “Inabata & Co.” under “Issue name (company name)” or its securities code “8098” under “Code,” and select “Basic information” “Documents for inspection/PR information” in that order, and check from the column “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” in “Filed information available for public inspection.”)

If you do not attend the meeting in person, you may exercise your voting rights via the internet, etc. or in writing. Please review the Reference Materials for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. on Tuesday, June 20, 2023 (JST).

Details

- 1. Date and Time:** Wednesday, June 21, 2023, at 10:00 a.m. (Reception starts at 9:00 a.m.)
- 2. Place:** Royal Hall, 3F Royal Park Hotel
2-1-1, Nihonbashi-kakigara-cho, Chuo-ku, Tokyo
- 3. Objectives:**

Items to be reported

1. The Business Report and the Consolidated Financial Statements for the 162nd fiscal year (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the accounting auditor and the audit and supervisory committee
2. The Financial Statements for the 162nd fiscal year (from April 1, 2022 to March 31, 2023)

Items to be resolved

- Proposal 1:** Partial amendments to the articles of incorporation
- Proposal 2:** Election of seven (7) directors (excluding directors who are audit and supervisory committee members)
- Proposal 3:** Election of one (1) director who is an audit and supervisory committee member

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- ⊙ When you attend the meeting, you are kindly requested to present the Voting Right Exercise Form at the reception of the meeting.
 - ⊙ If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the aforementioned dedicated website for informational materials for the general meeting of shareholders and the website of Tokyo Stock Exchange, Inc.
 - ⊙ Pursuant to the laws and regulations and article 16 of the Company's articles of incorporation, among the matters subject to measures for electronic provision, the items below are posted on the dedicated website for informational materials for the general meeting of shareholders and the website of Tokyo Stock Exchange, Inc. and are not provided in this Notice of Convocation.
 - i) "System to Ensure the Properness of Operations and Operational Status Thereof" in the Business Report
 - ii) "Consolidated Statement of Changes in Equity" and "Notes on the Consolidated Financial Statements" in the Consolidated Financial Statements
 - iii) "Statement of Changes in Equity" and "Notes on the Financial Statements" in the Financial StatementsTherefore, the Business Report, the Consolidated Financial Statements and the Financial Statements provided in this Notice of Convocation form part of the Business Report, the Consolidated Financial Statements and the Financial Statements audited by the audit and supervisory committee and the accounting auditor.
 - ⊙ The Company shall post the contents of resolutions of this general meeting on the Company's website instead of sending written notice of resolutions. We appreciate your understanding in this matter.
 - * The Company's website: <https://www.inabata.co.jp>

Reference Materials for the General Meeting of Shareholders

Proposal 1 Partial amendments to the articles of incorporation

1. Reasons for the amendments

As part of our efforts to strengthen our corporate governance system, we changed from a company with an audit & supervisory board to a company with an audit and supervisory committee last year in order to strengthen the supervisory functions of the board of directors and speed up management decision-making. Furthermore, as a result of considering how to stimulate discussion, we reduced the upper limit of the number of directors (excluding directors who are audit and supervisory committee members) stipulated in Article 20, paragraph 1 of the current articles of incorporation from eight to seven.

2. Details of the amendments

Details of the amendments are as follows:

(Amendments are underlined)

Current articles of incorporation	Proposed amendments
(Number of Directors) Article 20. The Company shall have not more than <u>8</u> directors (excluding directors who are audit and supervisory committee members). (2) (Omitted)	(Number of Directors) Article 20. The Company shall have not more than <u>7</u> directors (excluding directors who are audit and supervisory committee members). (2) (Unchanged)

Proposal 2: Election of seven (7) directors (excluding directors who are audit and supervisory committee members)

The terms of office of all seven (7) directors (excluding directors who are audit and supervisory committee members; the same shall apply hereinafter in this proposal) will expire as of the time of closing of this general meeting.

Therefore, the Company proposes the election of seven (7) directors.

Note that the selection of candidates for Director has been deliberated by the Nomination and Remuneration Committee, whose chairperson is the head independent outside director and whose majority of committee members are independent outside Directors.

Moreover, the Audit and Supervisory Committee confirmed the deliberation by the Nomination and Compensation Committee regarding the selection of candidates for director of the Company for this proposal and as a result, judged the process for selecting candidates for director was appropriate. The report received from the committee states that there are no specific audit findings that should be mentioned.

The candidates for director are as follows:

No.	Name		Positions and responsibilities in the Company	Attendance at meetings of the board of directors (Fiscal 2022)
1	Katsutaro Inabata	Reappointment	Director, President	16/16
2	Toyohiro Akao	Reappointment	Director, Senior Managing Executive Officer In charge of Information & Electronics, Life Industry, the Americas and Europe	16/16
3	Kenichi Yokota	Reappointment	Director, Senior Managing Executive Officer In charge of Administrative Affairs	16/16
4	Masahiro Sugiyama	Reappointment	Director, Managing Executive Officer In charge of Chemicals, Information & Electronics (assisting), Northeast Asia	16/16
5	Takashi Shigemori	New candidate	–	–
6	Takako Hagiwara	Reappointment Outside Independent Female	Outside director	16/16
7	Osamu Chonan	New candidate Outside Independent	–	–

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations
1	<p data-bbox="336 445 533 510">Katsutaro Inabata (December 3, 1959)</p> <p data-bbox="359 546 510 577">Reappointment</p> <p data-bbox="352 696 517 748">No. of Company shares owned</p> <p data-bbox="392 759 477 786">466,234</p> <p data-bbox="320 853 549 904">Attendance at meetings of the board of directors</p> <p data-bbox="355 916 513 943">16 of 16 (100%)</p>	<p data-bbox="576 371 927 398">Jan. 1989 Joined the Company</p> <p data-bbox="576 409 810 436">Jun. 1995 Director</p> <p data-bbox="576 448 916 474">Jun. 1997 Managing Director</p> <p data-bbox="576 486 1098 512">Jun. 2003 Director, Managing Executive Officer</p> <p data-bbox="576 524 1166 551">Apr. 2005 Director, Senior Managing Executive Officer</p> <p data-bbox="576 562 1002 589">Dec. 2005 Director, President (present)</p> <p data-bbox="576 600 1070 627">[Reason for nomination as a candidate for director]</p> <p data-bbox="576 638 1353 869">Since being appointed as director in 1995, Mr. Katsutaro Inabata has served as managing director, director and managing executive officer, and director and senior managing executive officer. He has also been in charge of sales divisions, such as the plastics segment, as well as administrative areas, such as the human resources and information technology. Since 2005, he has been director and president of the Company. He has managed the Company for many years and possesses abundant experience as a member of the management, so the Company considers him suitably qualified as a director of the Company and has nominated him once more as a candidate for director.</p>

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations
2	Toyohiro Akao (December 19, 1959) <u>Reappointment</u>	Apr. 1982 Joined the Company Jun. 2004 General Manager, Display & Imaging Division Jun. 2005 Executive Officer Jun. 2010 Director, Executive Officer Apr. 2011 General Manager, Electronics Materials & Equipment Division Apr. 2012 General Manager, Information & Electronics Division I, Information & Electronics Division II and Information & Electronics Division III Apr. 2013 In charge of Information & Electronics Division I, Information & Electronics Division II and Information & Electronics Division III Jun. 2013 Director, Managing Executive Officer Jun. 2014 In charge of Chemicals Division and Life Industry Division Director, Inabata Fine Tech & Co., Ltd. (present) Jun. 2015 Director, Senior Managing Executive Officer of the Company (present) Apr. 2016 In charge of Information & Electronics, Life Industry segments, the Americas and Europe (present) In charge of Chemicals segment
	No. of Company shares owned 17,300	
	Attendance at meetings of the board of directors 16 of 16 (100%)	
		[Reason for nomination as a candidate for director] Mr. Toyohiro Akao has held positions of responsibility in the information & electronics segment, one of the Company's main segments, for many years. Following his appointment as director in 2010 as a member of the management, he has served as director and managing executive officer, and since 2015 he has been a director and senior managing executive officer, and is in charge of the information & electronics and life industry segments. He possesses abundant experience as a member of the management within the Company, so the Company considers him suitably qualified as a director of the Company and has nominated him once more as a candidate for director.

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations				
3	<p style="text-align: center;">Kenichi Yokota (November 3, 1962)</p> <p style="text-align: center; border: 1px solid black; padding: 2px;">Reappointment</p> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center;">No. of Company shares owned</td> </tr> <tr> <td style="text-align: center;">13,300</td> </tr> </table> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">16 of 16 (100%)</td> </tr> </table>	No. of Company shares owned	13,300	Attendance at meetings of the board of directors	16 of 16 (100%)	<p>Jul. 1996 Joined the Company</p> <p>Jul. 2004 General Manager, Finance and Accounting Office</p> <p>Jun. 2005 Executive Officer</p> <p>Jun. 2008 Director, Executive Officer</p> <p style="padding-left: 20px;">General Manager, Corporate Planning Office</p> <p>May 2009 In charge of Internal Audit Office</p> <p>Jun. 2009 General Manager, Financial Management Office</p> <p>Apr. 2011 Deputy General Manager, Corporate Planning Office</p> <p>Apr. 2013 In charge of Financial Management Office Deputy General Manager, International Affiliate Management Office</p> <p>Jun. 2013 In charge of Risk Management Office</p> <p>Jun. 2014 Director, Managing Executive Officer In charge of Business Process Management Office</p> <p>Apr. 2016 In charge of Financial Management, Investor Relations, Business Process Management, Risk Management, International Affiliate Management</p> <p>Jun. 2016 In charge of General Affairs and Information Technology</p> <p>Jun. 2017 Director, Senior Managing Executive Officer (present)</p> <p>Jun. 2021 In charge of Administrative Affairs (present)</p> <p>[Reason for nomination as a candidate for director] Mr. Kenichi Yokota has professional experience as a certified public accountant and after joining the Company, he has primarily held positions of responsibility in the Company's financial management for many years, and has been engaged in corporate finance consistently. Following his appointment as director in 2008 as a member of the management, he has served as director and managing executive officer, since 2017 he has been director and senior managing executive officer. He has been in charge of risk management, internal audits, and the information technology, and is in charge of administrative affairs including human resources since 2021. He possesses abundant experience as a member of the management within the Company, so the Company considers him suitably qualified as a director of the Company and has nominated him once more as a candidate for director.</p>
No. of Company shares owned						
13,300						
Attendance at meetings of the board of directors						
16 of 16 (100%)						

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations
4	<p data-bbox="336 443 536 506">Masahiro Sugiyama (June 15, 1958)</p> <p data-bbox="360 546 512 577">Reappointment</p> <p data-bbox="352 658 520 712">No. of Company shares owned</p> <p data-bbox="405 719 467 750">9,100</p> <p data-bbox="320 842 552 896">Attendance at meetings of the board of directors</p> <p data-bbox="357 902 515 934">16 of 16 (100%)</p>	<p data-bbox="576 371 927 398">Jul. 2002 Joined the Company</p> <p data-bbox="576 409 1094 463">Jun. 2010 Executive Officer General Manager, Plastics Division II</p> <p data-bbox="576 474 1086 528">Apr. 2014 General Manager, Information & Electronics Division I</p> <p data-bbox="576 539 991 566">Jun. 2016 Director, Executive Officer</p> <p data-bbox="576 577 1302 658">Jun. 2018 Director, Managing Executive Officer In charge of Information & Electronics segment (assisting), Northeast Asia (present)</p> <p data-bbox="576 669 1230 696">Mar. 2019 Director, Taiwan Inabata Sangyo Co., Ltd. (present)</p> <p data-bbox="576 707 1126 734">Jun. 2021 In charge of Chemicals segment (present)</p> <p data-bbox="576 745 1070 772">[Reason for nomination as a candidate for director]</p> <p data-bbox="576 775 1359 1016">Mr. Masahiro Sugiyama has held positions of responsibility in the plastics segment and the information & electronics segment, both of which are major segments for the Company. Following his appointment as director in 2016 as a member of the management, since 2018 he has been director and managing executive officer, and is in charge of the information & electronics segment, and also the chemicals segment since 2021. He possesses abundant experience as a member of the management within the Company, so the Company considers him suitably qualified as a director of the Company and has nominated him once more as a candidate for director.</p>

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations
5	<p data-bbox="347 443 528 506">Takashi Shigemori (October 3, 1958)</p> <p data-bbox="360 546 515 577">New candidate</p> <p data-bbox="347 618 528 680">No. of Company shares owned</p> <p data-bbox="427 685 448 712">0</p>	<p data-bbox="576 371 1086 398">Apr. 1983 Joined Sumitomo Chemical Co., Ltd.</p> <p data-bbox="576 409 1203 436">Apr. 2012 Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p data-bbox="576 448 1307 474">Apr. 2016 Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p data-bbox="576 486 1331 539">Apr. 2019 Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p data-bbox="576 551 1278 604">Jun. 2019 Director, Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p data-bbox="576 616 1331 723">Jun. 2021 Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd. Director, Sumitomo Seika Chemicals Co, Ltd (Non-Executive Director) (present)</p> <p data-bbox="576 734 1203 761">Apr. 2023 Advisor, Sumitomo Chemical Co., Ltd. (present)</p> <p data-bbox="576 772 1070 799">[Reason for nomination as a candidate for director]</p> <p data-bbox="576 801 1353 1021">Mr. Takashi Shigemori was involved in a business related to a joint venture with a state-owned company in Saudi Arabia at a general chemicals manufacturer, where he was seconded, and after returning to the company, he has supported its growth as executive officer, and has also been responsible for administrative departments such as business planning, business management, IT and finance. Based on these experiences, he has a wide range of knowledge and expertise, so the Company considers him suitably qualified as a director of the Company and has nominated him as a candidate for director.</p>

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations				
6	<p style="text-align: center;">Takako Hagiwara (March 12, 1961)</p> <p style="text-align: center;"> <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent <input type="checkbox"/> Female </p> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center;">No. of Company shares owned</td> </tr> <tr> <td style="text-align: center;">0</td> </tr> </table> <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">16 of 16 (100%)</td> </tr> </table>	No. of Company shares owned	0	Attendance at meetings of the board of directors	16 of 16 (100%)	<p>Apr. 1984 Joined Sony Corp. (now Sony Group Corp.)</p> <p>Apr. 2002 General Manager, Human Resources Div., NACS, Sony Corp.</p> <p>Apr. 2006 General Manager, Human Resources Development Div., Corporate Human Resources, Sony Corp.</p> <p>Apr. 2008 General Manager, Diversity Development Div., Corporate Human Resources, Sony Corp.</p> <p>Apr. 2014 Representative Director, Sony Hikari Corp. and Sony Kibou Corp. (now Sony Kibou/Hikari Corp.)</p> <p>Jan. 2015 Retired from Sony Corp.</p> <p>Feb. 2015 Director, Chief Health Officer, Green House Co., Ltd.</p> <p>Jul. 2020 Representative Director, DDD Corp. (present)</p> <p>May 2021 Outside Director, TWINBIRD CORPORATION (present)</p> <p>Jun. 2021 Outside Director of the Company (present) Outside Director, NEC Capital Solutions Ltd. (present)</p> <p>[Reason for nomination as a candidate for outside director and summary of expected role] Ms. Takako Hagiwara held positions of responsibility for many years in the human resources division of a major electronics manufacturer with a global presence in multiple businesses, such as audiovisual equipment, games, movies, and music, in addition to which she has also served in management, and accordingly has extensive knowledge and experience. The Company considers she has sufficiently fulfilled the role that the Company expects at the board of directors and has nominated her once more as a candidate for outside director. If she is elected, the Company expects that she will provide advice in such areas as the Company's human resources strategy, and on the promotion of diversity.</p> <p>[Tenure as outside director] Two years (at the conclusion of this general meeting)</p>
No. of Company shares owned						
0						
Attendance at meetings of the board of directors						
16 of 16 (100%)						

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations
7	<p data-bbox="359 443 510 510">Osamu Chonan (May 16, 1956)</p> <p data-bbox="359 577 510 611">New candidate</p> <p data-bbox="395 622 478 656">Outside</p> <p data-bbox="371 667 502 701">Independent</p> <p data-bbox="351 734 523 790">No. of Company shares owned</p> <p data-bbox="427 801 446 835">0</p>	<p data-bbox="576 371 997 405">Apr. 1980 Joined Kewpie Corporation</p> <p data-bbox="576 416 1294 472">Sep. 2008 Corporate Officer, Branch Manager, Osaka Branch Office, Kewpie Corporation</p> <p data-bbox="576 483 1294 539">Jul. 2012 Corporate Officer, Branch Manager, Tokyo Branch Office, Kewpie Corporation</p> <p data-bbox="576 551 1286 607">Feb. 2014 Director, Branch Manager, Tokyo Branch Office, Kewpie Corporation</p> <p data-bbox="576 618 1302 651">Feb. 2016 Director, Executive Corporate Officer, Kewpie Corporation</p> <p data-bbox="576 663 1262 719">Feb. 2017 Representative Director, President and Chief Executive Corporate Officer, Kewpie Corporation</p> <p data-bbox="576 730 1262 763">May 2021 Chairman, Kewpie Mirai Tamago Foundation (present)</p> <p data-bbox="576 775 1015 808">Feb. 2022 Advisor, Kewpie Corporation</p> <p data-bbox="576 819 1302 875">[Reason for nomination as a candidate for outside director and summary of expected role]</p> <p data-bbox="576 887 1359 999">Mr. Osamu Chonan held positions of responsibility for many years in the sales division of a food manufacturer with a global presence centered in China and Southeast Asia, in addition to which he has also served in management, and accordingly has extensive knowledge and experience. Based on the above, the Company considers him suitably qualified as an outside director of the Company and has nominated him as a candidate for outside director.</p> <p data-bbox="576 1010 1334 1088">If he is elected, the Company expects that he will use his abundant experience and extensive knowledge as a manager to provide oversight and advice in relation to the Company's execution of duties from an objective perspective.</p>

- (Notes) 1. There are no special interests between the candidates and the Company.
2. Messrs. Takashi Shigemori and Osamu Chonan are new candidates for director.
3. Ms. Takako Hagiwara and Mr. Osamu Chonan are candidates for outside director.
4. The Company designates Ms. Takako Hagiwara and Mr. Osamu Chonan as independent officers under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly. When the reelection of Ms. Takako Hagiwara is approved, she is scheduled to continue as an independent officer. As for Mr. Osamu Chonan, if his election is approved, he is scheduled to be an independent officer. Each one of them meets the independence criteria set out in the Company's criteria for independence of outside officers.
- Ms. Takako Hagiwara is a Representative Director of DDD Corp., but there is no special relationship between the Company and the said company.
- Mr. Osamu Chonan has been an Advisor at Kewpie Corporation within the past three years, but there is no special relationship between the Company and the said company.
5. The Company has entered into an agreement with Ms. Takako Hagiwara to limit her liability for damages under article 423, paragraph 1 of the Companies Act, and when her reelection is approved, the Company is planning to continue said agreement. Pursuant to the agreement, the Company shall set the defined maximum amount of liability for damages, if she has acted in good faith and without gross negligence in performing her duties, at the minimum liability amount provided for under article 425, paragraph 1 of the Companies Act. In addition, if the election of Messrs. Takashi Shigemori and Osamu Chonan is approved, the Company plans to enter into the same agreement with each of them.
6. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to article 430-3, paragraph 1 of the Companies Act, whereby the Company shall take responsibility in relation to execution of duties by those covered by the policy, including directors of the Company, and shall compensate them for any damages arising as result of claims pursued in relation to said responsibility. If the election of the candidates is approved, each shall be covered by this contract.
- In addition, when the contract is renewed, the Company plans to renew the contract with said details.
7. "No. of Company shares owned" is current as of March 31, 2023.

Proposal 3: Election of a director who is also an audit and supervisory committee member

The Company would like to increase the number of directors who are audit and supervisory committee members in order to strengthen the auditing system, and proposes the election of one (1) new director who is an audit and supervisory committee member.

Furthermore, prior consent to this proposal has been obtained from the audit and supervisory committee.

The candidate for director who is an audit and supervisory committee member is as follows:

Name (Date of birth)	Brief career summary, positions and responsibilities in the Company, and significant concurrent positions at other organizations		
<p>Noriya Yokota February 3, 1961</p> <p><u>New candidate</u></p> <p><u>Outside</u></p> <p><u>Independent</u></p> <table border="1" data-bbox="233 1126 485 1229"> <tr> <td>No. of Company shares owned</td> </tr> <tr> <td>0</td> </tr> </table>	No. of Company shares owned	0	<p>Apr. 1984 Joined Kirin Brewery Company, Limited (now Kirin Holdings Company, Limited)</p> <p>Mar. 2011 General Manager, Sendai Plant, Kirin Brewery Company, Limited</p> <p>Mar. 2014 Executive Officer, General Manager, Production & Quality Control Department, Kirin Brewery Company, Limited</p> <p>Apr. 2015 Director of Group Personnel & General Affairs, Kirin Holdings Company, Limited Executive Officer, General Manager, Personnel & General Affairs Department, Kirin Company, Limited (now Kirin Holdings Company, Limited)</p> <p>Mar. 2017 Senior Executive Officer, Director of Corporate Strategy, Kirin Holdings Company, Limited Director of the Board, Senior Executive Officer, Kirin Company, Limited Director of the Board, Kyowa Hakko Kirin Company (now Kyowa Kirin Co., Ltd.)</p> <p>Mar. 2018 Director of the Board, Senior Executive Officer, Kirin Holdings Company, Limited Senior Executive Officer, Kirin Company, Limited Director of the Board, Kirin Business System Company, Limited</p> <p>Mar. 2022 Director of the Board, Kirin Brewery Company, Limited</p> <p>[Reason for nomination as a candidate for outside director who is an audit and supervisory committee member, and summary of expected role] Mr. Noriya Yokota has served as a factory manager and head of the production department at a manufacturer that manufactures and sells alcoholic beverages, beverages, and pharmaceuticals around the world, and after serving as manager of an overseas subsidiary of the company, he has been in charge of human resources, finance, IT, and management strategy as an executive officer, and has a great degree of insight and extensive experience. Based on this, the Company has determined that he can be expected to provide accurate audit and supervision for the overall management of the Company and has nominated him as a candidate for outside director who is an audit and supervisory committee member.</p>
No. of Company shares owned			
0			

- (Notes) 1. There are no special interests between Mr. Noriya Yokota and the Company.
2. Mr. Noriya Yokota is a candidate for a new outside director who is an audit and supervisory committee member.
3. The Company designates Mr. Noriya Yokota as an independent officer under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly. If his election is approved, he is scheduled to be an independent officer. He meets the independence criteria set out in the Company's criteria for independence of outside directors.

He was Director of the Board of Kirin Holdings Company, Limited within the past three years, but there is no special relationship between the Company and the said company and its group.

4. If the election of Mr. Noriya Yokota is approved, the Company plans to enter into an agreement with him to limit his liability for damages under article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the Company shall set the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, at the minimum liability amount provided for under article 425, paragraph 1 of the Companies Act.
5. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to article 430-3, paragraph 1 of the Companies Act, whereby the Company shall take responsibility in relation to execution of duties by those covered by the policy, including directors of the Company, and shall compensate them for any damages arising as result of claims pursued in relation to said responsibility. If the election of Mr. Noriya Yokota is approved, he shall be covered by this contract. In addition, when the contract is renewed, the Company plans to renew the contract with said details.
6. “No. of Company shares owned” is current as of March 31, 2023.

<For Reference>

Corporate Governance

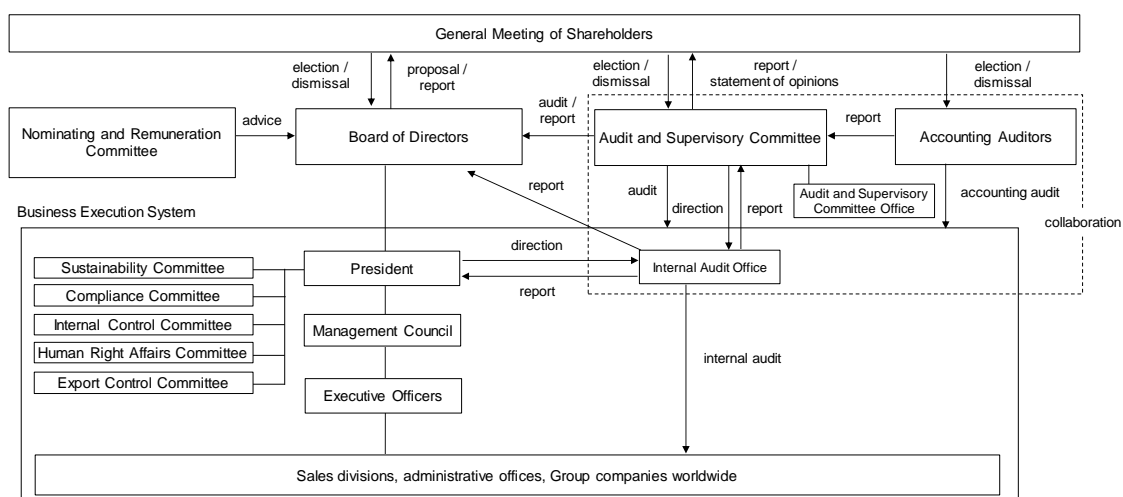
Corporate governance structure of the Company is as follows:

1. Basic Approach

The Company's management philosophy is to contribute to the development of society by respecting people, based on the spirit of "love" and "respect." Based on this management philosophy, we believe that in order to meet the expectations of our shareholders, business partners, employees, and all other stakeholders who support the Company's business activities, and to sustainably increase its corporate value, it is essential to develop and build a strong corporate governance system that will ensure the transparency and fairness of management and serve as a foundation for prompt and determined decision-making.




2. Corporate Governance Structure

Corporate Governance Structure



3. Composition of the board of directors

If Proposals 2 and 3 of this general meeting are approved and adopted, the composition of the board of directors will be as follows, with a majority of independent outside directors.

Directors (excluding audit and supervisory committee members)	Directors (audit and supervisory committee members)	Ratio of independent outside directors
7 persons	5 persons	58% (7 out of 12)
 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div>	 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div>	

● **Expertise and experience required of the Company’s directors (skill matrix)**

	Name	Global management	Business strategy/ Industry knowledge			Finance and accounting	Legal/ risk management/ Internal control	HR/labor	IT/digital	ESG
			Electronics/ Energy	Materials /Chemicals	Food/ Life					
Director	Katsutaro Inabata	●		●			●	●		●
	Toyohiro Akao		●	●	●					
	Kenichi Yokota					●	●	●	●	●
	Masahiro Sugiyama		●	●						
	Takashi Shigemori			●		●			●	
	Takako Hagiwara*		●					●		●
	Osamu Chonan*	●			●					
Director (Audit and Supervisory Committee Member)	Kenji Hamashima*	●	●			●				
	Satoshi Tamai*					●	●			
	Minoru Sanari*		●				●			
	Tomokazu Fujisawa*				●		●			
	Noriya Yokota*				●	●		●	●	●

(Note) * denotes an independent outside director.

[Our way of thinking about the skill matrix]

Management philosophy of Inabata & Co., Ltd. is “People come first, based on the spirit of “love (ai)” and “respect (kei),” and together we strive towards contributing to the development of society,” and our vision is “To continually evolve, serving clients and society, through global operations and meeting their changing needs.” In addition, with around 2030 in mind, we have set “IK Vision 2030” as a long-term vision that envisions our future status, and have positioned the mid-term business plan “New Challenge 2023” (“NC2023”) as a step toward that long-term vision.

In identifying the skills expected of directors, we have decided from the viewpoint of the kind of skills that are required to build systems that enable the board of directors of the Company to fulfill the functions relating to decision-making and the supervisory of business execution, as we expand globally, based on this management philosophy, vision, the long-term vision “IK Vision 2030,” and the mid-term business plan “NC2023.” From this point of view, we have specifically identified the following skills and formulated a skill matrix.

(Global Management)

We are expanding our business globally, and in particular, in our long-term vision “IK Vision 2030,” we anticipate that the overseas business ratio will be 70% or greater. From this point of view, in order to plan the future growth of Inabata & Co., Ltd., we believe that it is extremely useful to appoint those who have knowledge of global corporate management as directors. Therefore, especially when inviting outside directors, we make sure to include managers of companies that are developing business globally, especially top management, or those with equivalent experience. The Global Management item in the skill matrix is based on top management of a company that is developing business globally or whether the candidate has experience equivalent to this.

(Business Strategy/Industry Knowledge)

In managing a specialized trading firm like ours, first and foremost, vast expertise and experience in each business field is indispensable. In particular, regarding executive directors who are in charge of business execution, it is extremely important in practice to the development of the business of a trading firm like ours to hold a wide range of knowledge, experience and personal connections in each of our business fields, and when appointing executive directors, we give consideration to balance among those who have knowledge of the Company’s business fields.

When inviting outside directors, we give consideration to the broad knowledge and experience in various business fields, and aim to include individuals capable of providing supervision and opinions on business strategies from an objective perspective.

(Finance and Accounting)

Financial strategy (corporate finance) in corporate management is of course important, and we believe that we need someone among executive directors who is responsible for financial strategy and can lead efforts to improve corporate value through various dialogues with investors. In addition, in order to strengthen the supervisory function for business execution, we believe that it is useful to include those who are familiar with finance and accounting among directors who are Audit and Supervisory Committee members.

(Legal/Risk Management/Internal Control)

At Inabata & Co., Ltd., which is expanding its business globally, there are various risks such as credit risk of business partners, risk related to business investment, country risk associated with overseas business, foreign exchange risk, and the product market fluctuation risks. Therefore, risk management is extremely important for management. In addition, we are committed to management that emphasizes compliance above all else, and in order to strengthen the supervisory function for business execution, we believe it is useful to include those who are familiar with the law among directors who are Audit and Supervisory Committee members without fail.

The Company has chosen to be a company with an audit and supervisory committee with the aim of expediting management decision-making and strengthening the supervisory function for business execution. Companies with an audit and supervisory committee are required to make effective use of the company internal control system to conduct systematic audits. From this point of view, we believe that it is essential to include those who have specialized knowledge and experience in internal control and auditing among directors who are Audit and Supervisory Committee members.

(HR/Labor)

In a trading firm like ours, human resources are our greatest asset, and human resource development is an important management issue in the medium to long term. In the mid-term business plan “NC2023,” we are strengthening our efforts to further enhance the system for global human resource development and diversity improvement, employee engagement, and new work style reforms. From this point of view, we believe it desirable for directors to include those who have experience and skills in HR and labor, and we place great importance on this perspective when inviting outside directors.

(IT/Digital)

Knowledge of IT and digital is indispensable for promoting DX (digital transformation). In addition, threats to information security have been increasing year by year, and we believe that IT/digital skills are necessary to strengthen countermeasures against these.

(ESG)

Inabata & Co., Ltd. established the Sustainability Committee in October 2021 and considers the promotion of sustainability to be an important management issue. We also consider improving the external evaluation of ESG as an important issue. From this point of view, we believe that it is necessary to include those who have knowledge of sustainability and ESG in corporate management among directors, and we take these points into consideration when inviting outside directors.

● **Criteria for independence of outside directors**

The Company has established criteria concerning the independence of outside directors of the Company as follows, and outside directors who do not meet any of the following conditions are considered independent.

- (1) An executive (*1) of the Company or a subsidiary of the Company currently or within the past 10 years
- (2) A person who has met any of the following conditions (i) through (vii) over the last three years
 - (i) A party whose major client or supplier is the Company (*2) or an executive thereof
 - (ii) A major client or supplier of the Company (*3) or an executive thereof
 - (iii) A consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company in addition to compensation as a director/audit & supervisory board member (*4) (In case it is an organization such as a corporation or an association that receives monetary consideration or property, a party which belongs to the said organization.)
 - (iv) A major shareholder (*5) of the Company or an executive thereof
 - (v) A major lender (*6) of the Company or an executive thereof
 - (vi) A party that receives a donation over a certain amount (*7) from the Company or a party affiliated with an organization that receives a donation from the Company
 - (vii) An executive of a company for which an executive of the Company serves concurrently as outside director or outside audit & supervisory board member of the said company
- (3) A spouse or relative within the second degree of kinship of the person in (1) or (2) above
- (4) A person who has served as outside director of the Company for over eight years

(*1) “Executive” is an executive director, an executive officer or an employee.

(*2) “A party whose major client or supplier is the Company” is one which has received a payment from the Company equivalent to over 2% of its consolidated annual gross sales.

(*3) “Major client or supplier of the Company” is one which has paid to the Company an amount equivalent to over 2% of the Company’s consolidated annual gross sales.

(*4) “Receives a large amount of monetary consideration or other property from the Company in addition to compensation as a director/audit & supervisory board member” means receiving from the Company monetary consideration or property which exceeds the higher of either 2% of sales or total revenue of such party in addition to compensation as a director/audit & supervisory board member or 10 million yen.

(*5) “Major shareholder” is one whose ownership ratio of voting rights is 10% or higher.

(*6) “Major lender” is one which has lent the Company an amount equivalent to over 2% of the Company’s consolidated total assets.

(*7) “A donation over a certain amount” is one that exceeds 10 million yen.

4. Policy on Reduction of Strategic shareholdings

The Company has been promoting its three-year mid-term business plan “New Challenge 2023” (“NC2023”), which will end in the fiscal year ending March 31, 2024. As part of one of its key initiatives, “Continuous review of asset holdings and further improvement of fund and asset efficiency,” the Company has decided the policy of reducing its strategic shareholdings by the end of March 2027 after completion of “NC2023.”

Policy on Reduction of Strategic Shareholdings

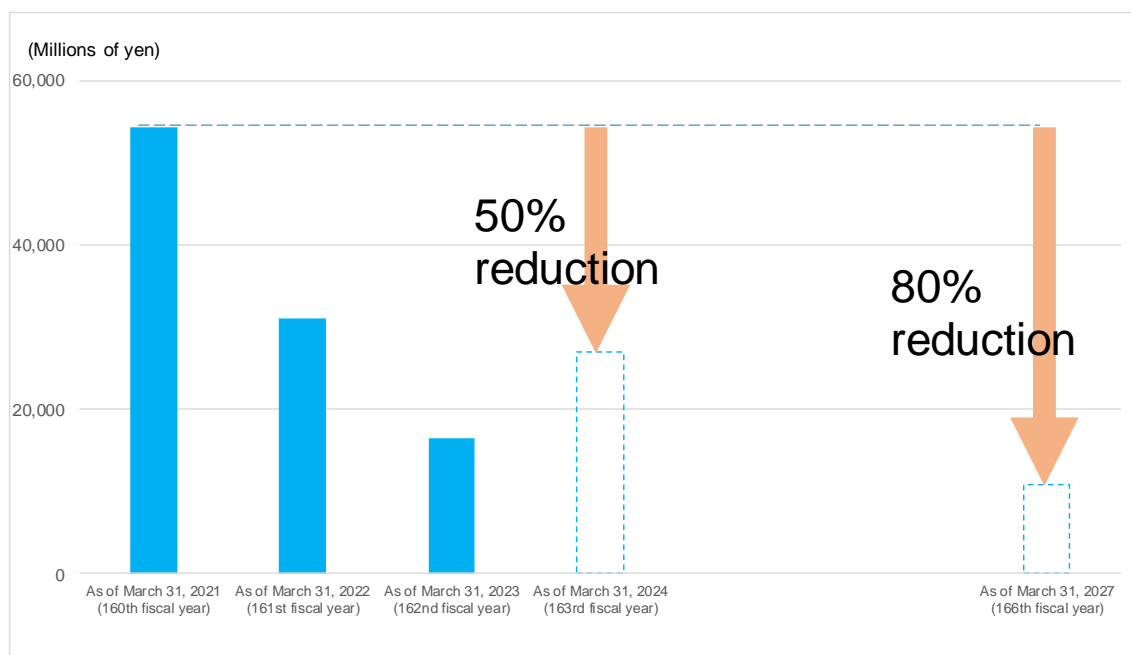
- 1) Reduce the balance of strategic shareholdings by 50% compared to the balance on March 31, 2021 during the three years of “NC2023.”
- 2) Further reduce strategic shareholdings over the medium to long term, aiming for a reduction of around 80% compared to the balance on March 31, 2021 until March 31, 2027.

The policy is to allocate the funds obtained from the sale of shares held as strategic shareholdings not to internal reserves but to shareholder returns and investment for future growth.

Changes in amount of sales of strategic shareholdings

(Millions of yen)	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Sales of strategic shareholdings	5,298	3,026	2,944	9,367	10,076

Holding status of strategic shareholdings



*Strategic shareholdings: listed shares in Japan

- Status of the balance sheet recorded amount of “investment shares held for purposes other than net investment”

Category		March 31, 2021 (160th fiscal year)	March 31, 2022 (161st fiscal year)	March 31, 2023 (162nd fiscal year)
Balance sheet recorded amount (Millions of yen)	Non-listed shares	6,354	6,692	4,955
	Shares other than non-listed shares	54,328	31,121	16,432
	Total amount	60,682	37,814	21,388
Consolidated net assets (millions of yen)		175,803	176,914	181,507
Consolidated net asset ratio		34.5%	21.4%	11.8%

* As of March 31, 2023, in addition to those shares stated above, there exists ¥2,321 million in deemed holding shares, and the total amount of non-listed shares, shares other than non-listed shares and deemed holding shares is ¥23,710 million. This was 13.1% of the consolidated net assets as of March 31, 2023. The amount obtained by multiplying the market price of deemed holding shares on the last day of the fiscal year by the number of shares subject to exercise of voting rights.

5. Shareholder Return Basic Policy

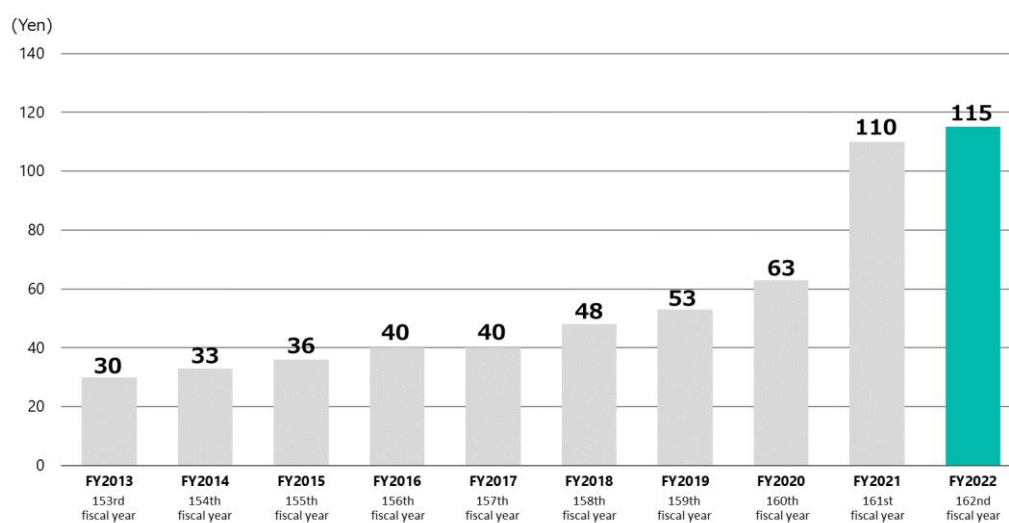
The basic policy on shareholder return during the period of the mid-term business plan “NC2023” of the Company is as follows.

(Shareholder return basic policy)

- (i) The actual amount of dividends paid in the previous fiscal year will be used as the lower limit for dividends per share, and the basic policy is to continuously increase the dividends without reducing them. (Progressive dividends)
- (ii) The target for the total return ratio (*) shall be approximately 50%. However, in the business year in which the strategic shareholdings were sold and a considerable amount of cash-in occurred, shareholder return will be implemented without necessarily being bound by the target of the above-mentioned total return ratio, taking into consideration comprehensively the future demand for funds, the company’s financial situation, stock price, market conditions, etc.

(*) Total return ratio = (Amount of dividends + Amount of treasury shares acquired) ÷ Consolidated profit x 100

Dividend trends



6. On the Nominating and Remuneration Committee (as of March 31, 2023)

The Company established a voluntary Nominating and Remuneration Committee in 2015. Resolutions on the election and dismissal of senior management, the nomination of candidates for director and executive officers, and the remuneration of directors are discussed by the Nominating and Remuneration Committee, where the majority of members are independent outside directors. The board of directors strives to ensure objectivity, fairness, and transparency by fully respecting the results of the Nominating and Remuneration Committee's deliberations.

Number of meetings: 10 meetings in the fiscal year ended March 31, 2023

Members of the Nominating and Remuneration Committee: three independent outside directors (including one independent outside director who is an audit and supervisory committee member) and one internal director

Chairperson: Head independent outside director

7. Policy and Procedures of Nominating Directors

When the Company's board of directors elects executives and appoints candidates for directors, the Nomination and Remuneration Committee, a majority of which are independent outside directors, take measures, for instance, such as interviewing candidates, to examine credentials and aptitude which would contribute to the improvement of corporate value in the medium and long term and to ensure the objectivity, fairness, and transparency of any decision the board of directors makes.

The Company has criteria for independence of outside directors, which are set out in page 19, for the election of independent outside directors and elects them in accordance with these criteria.

8. Effectiveness Evaluation of the Board of Directors

The Company has conducted an evaluation of the effectiveness of the board of directors since fiscal 2015, with the aim of increasing corporate value through enhancing the effectiveness and transparency of the board of directors. In fiscal 2022, the Company has conducted a self-evaluation. A summary of the evaluation results and future measures have been disclosed on the Company's website.

[Outline of fiscal 2022 evaluation and future measures]

1. Target	All current eleven (11) directors as of March 31, 2023
2. Evaluation methodology	<ul style="list-style-type: none">▪ Question items are distributed to the subjects, and the answer results are aggregated by an outside consultant.▪ The working group for the evaluation of the board of directors carried out a simplified analysis and compilation of the aggregated results, and the director in charge reports at the Company's board of directors meeting in March 2023.▪ After verification by the board of directors of the content of the report, the direction of future measures was decided

<p>3. Overview of results of analysis and evaluation</p>	<p>The results of the analysis and evaluation indicated that the operations of the board of directors of the Company were deemed appropriate and highly rated overall for the open and lively discussions. The results also indicated that the Company was providing sufficient support to outside directors in general, who in turn were making significant contributions to board discussions; the Nominating and Remuneration Committee was being operated appropriately; the audit and supervisory committee was being operated appropriately; the status of dialogues with investors and shareholders was adequately being shared with the board of directors; and appropriate measures were being taken to address the issues identified in the previous board of directors evaluation. Based on these evaluation and analysis results, the Company confirmed that the board of directors was executing its functions appropriately in general while maintaining effectiveness.</p> <p>The results also confirmed that the following improvements and developments had been made in resolving the issues identified in the previous self effectiveness evaluation.</p> <ul style="list-style-type: none"> ▪ Discussions on succession planning and sustainability Initiatives related to succession planning and sustainability have been shared by the board of directors and discussions are progressing, but it is believed that further discussions are necessary. ▪ Provision of sufficient information by the Nominating and Remuneration Committee to the board of directors Although the Nominating and Remuneration Committee has provided information for discussion by the board of directors, it is still considered insufficient. ▪ Communication among outside directors which had been inadequate due to the impact of the COVID-19 pandemic Improvements were seen, such as holding opinion exchange meetings among outside directors, but it is believed that there is still room for improvement, considering matters such as the inability to hold in-person meetings due to the COVID-19 pandemic. ▪ Further enrich communicating information to capital markets Improvements were seen, such as reviewing the numerical targets and indicators of the mid-term business plan NC2023, and enhancing the disclosure of sustainability-related information, while referring to the opinions gathered through dialogue with shareholders and investors, however it is still believed that there is room for further improvement. <p>Meanwhile, the results confirmed that the following issues should be considered in the future.</p> <ul style="list-style-type: none"> ▪ Further discussion on medium- to long-term management policies and issues related to succession planning for top management and for outside directors
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	<ul style="list-style-type: none"> ▪ Provision of sufficient information and communication by the Nominating and Remuneration Committee to the board of directors ▪ Further communications among outside directors ▪ Further enrich communicating information to capital markets <p>In addition, among the major risks facing the Company, credit risks of business partners, product market fluctuation risks, and latent risks of overseas activities were recognized as being of particularly high importance.</p>
4. Future measures	<p>The Company will strive to further enhance the effectiveness of the board of directors by taking measures to address the issues identified from the result of the above mentioned analysis and evaluation.</p> <p>In fiscal 2023, an effectiveness evaluation (third party-evaluation) is scheduled to be implemented.</p>