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Securities Code: 8098

May 30, 2024

To our shareholders:

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

## **Notice of Convocation of the 163rd Ordinary General Meeting of Shareholders**

This is to notify you of the 163rd 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.

[The Company’s website]

[https://www.inabata.co.jp/investor/event/shareholder\\_meeting/](https://www.inabata.co.jp/investor/event/shareholder_meeting/) (in Japanese)

[Website for posted informational materials for the general meeting of shareholders]

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

**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 Thursday, June 20, 2024 (JST).**

## Details

**1. Date and Time:** Friday, June 21, 2024, 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 163rd fiscal year (from April 1, 2023 to March 31, 2024), 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 163rd fiscal year (from April 1, 2023 to March 31, 2024)

**Items to be resolved**

**Proposal 1:** Election of seven (7) directors (excluding directors who are audit and supervisory committee members)

**Proposal 2:** Election of four (4) directors who are audit and supervisory committee members

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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 websites.
  - ⊙ Among the matters subject to measures for electronic provision, in accordance with the provisions of relevant laws and regulations and the Company's Articles of Incorporation, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. (For this general meeting of shareholders, paper-based documents stating matters subject to measures for electronic provision are to be taken, excluding the following matters, will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents.)
    - 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 StatementsThe audit and supervisory committee and the accounting auditor have audited the documents subject to audit, including the above matters.
  - ⊙ The Company shall post the contents of resolutions of this general meeting of shareholders 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> (in Japanese)

## Reference Materials for the General Meeting of Shareholders

**Proposal 1:** 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 Nominating 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 Nominating and Remuneration 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 2023)
1	Katsutaro Inabata	Reappointment	Director, President	17/17
2	Toyohiro Akao	Reappointment	Director, Senior Managing Executive Officer In charge of Information & Electronics, Life Industry segments, the Americas and Europe	17/17
3	Kenichi Yokota	Reappointment	Director, Senior Managing Executive Officer In charge of Administrative Affairs	17/17
4	Takashi Shigemori	Reappointment	Director	12/14
5	Takako Hagiwara	Reappointment Outside Independent Female	Outside Director	17/17
6	Osamu Chonan	Reappointment Outside Independent	Outside Director	14/14
7	Hisayuki Suekawa	New candidate Outside Independent	–	–

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company
1	<p data-bbox="336 443 533 506">Katsutaro Inabata (December 3, 1959)</p> <p data-bbox="359 546 510 577">Reappointment</p> <p data-bbox="352 692 517 748">No. of Company shares owned</p> <p data-bbox="392 759 477 786">466,634</p> <p data-bbox="317 853 552 909">Attendance at meetings of the board of directors</p> <p data-bbox="355 920 517 947">17 of 17 (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="576 448 914 474">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 1117 627">[Significant concurrent positions at other organizations]</p> <p data-bbox="576 638 632 665">None</p> <p data-bbox="576 676 1070 703">[Reason for nomination as a candidate for director]</p> <p data-bbox="576 714 1353 943">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
2	Toyohiro Akao (December 19, 1959)  <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Reappointment</div>	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 (present) In charge of the Americas and Europe (present) In charge of Chemicals segment  [Significant concurrent positions at other organizations] Director, Inabata Fine Tech & Co., Ltd.  [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.
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">           No. of Company            shares owned            17,500         </div>	
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">           Attendance at meetings            of the board of directors            17 of 17 (100%)         </div>	

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company				
3	<p style="text-align: center;">Kenichi Yokota (November 3, 1962)</p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">Reappointment</span></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">No. of Company shares owned</td> </tr> <tr> <td style="text-align: center;">13,500</td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">17 of 17 (100%)</td> </tr> </table>	No. of Company shares owned	13,500	Attendance at meetings of the board of directors	17 of 17 (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>                    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>[Significant concurrent positions at other organizations] None</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, and since 2017 he has been director and senior managing executive officer. He has been in charge of risk management, internal audits, and information technology, and has been 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						
13,500						
Attendance at meetings of the board of directors						
17 of 17 (100%)						

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company
4	<p style="text-align: center;">Takashi Shigemori (October 3, 1958)</p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">Reappointment</span></p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">No. of Company shares owned</span></p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">0</span></p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">Attendance at meetings of the board of directors</span></p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">12 of 14 (86%)</span></p>	<p>Apr. 1983    Joined Sumitomo Chemical Co., Ltd.</p> <p>Apr. 2012    Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p>Apr. 2016    Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p>Apr. 2019    Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p>Jun. 2019    Director, Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p>Jun. 2021    Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.</p> <p>                  Director, Sumitomo Seika Chemicals Co., Ltd. (Non-Executive Director) (present)</p> <p>Apr. 2023    Advisor, Sumitomo Chemical Co., Ltd. (present)</p> <p>Jun. 2023    Director of the Company (present)</p> <p>[Significant concurrent positions at other organizations]</p> <p>Director (Non-Executive Director), Sumitomo Seika Chemicals Co., Ltd.*</p> <p>Advisor, Sumitomo Chemical Co., Ltd.*</p> <p>(* indicates company listed on stock exchange)</p> <p>[Reason for nomination as a candidate for director]</p> <p>Mr. Takashi Shigemori had been involved in a business related to a joint venture with a state-owned company in Saudi Arabia, where he had been seconded, while working at a general chemicals manufacturer and after returning to the company, he has supported the growth of the joint venture 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 once more as a candidate for director.</p>

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company				
5	<p style="text-align: center;">Takako Hagiwara (March 12, 1961)</p> <p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reappointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>  <span style="border: 1px solid black; padding: 2px;">Independent</span>  <span style="border: 1px solid black; padding: 2px;">Female</span> </p> <table border="1" style="width: 100%; margin: 10px auto;"> <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: 10px auto;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">17 of 17 (100%)</td> </tr> </table>	No. of Company shares owned	0	Attendance at meetings of the board of directors	17 of 17 (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>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>[Significant concurrent positions at other organizations]</p> <p>Representative Director, DDD Corp.</p> <p>Outside Director, TWINBIRD CORPORATION*</p> <p>Outside Director, NEC Capital Solutions Ltd.*</p> <p>(* indicates company listed on stock exchange)</p> <p>[Reason for nomination as a candidate for outside director and summary of expected role]</p> <p>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>[Supplementary information regarding independence and significant concurrent positions at other organizations]</p> <p>1. Independence as outside director The Company designates Ms. Takako Hagiwara as an independent officer under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly. If her reelection is approved, she is scheduled to continue as an independent officer. She meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25).</p> <p>2. Significant concurrent positions at other organizations There is no special relationship between the Company and organizations where Ms. Takako Hagiwara holds significant concurrent positions.</p> <p>[Tenure as outside director] Three years (at the conclusion of this general meeting)</p>
No. of Company shares owned						
0						
Attendance at meetings of the board of directors						
17 of 17 (100%)						



No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company				
6	<p style="text-align: center;">Osamu Chonan (May 16, 1956)</p> <p style="text-align: center;">Reappointment Outside Independent</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <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="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">14 of 14 (100%)</td> </tr> </table>	No. of Company shares owned	0	Attendance at meetings of the board of directors	14 of 14 (100%)	<p>Apr. 1980    Joined Kewpie Corporation</p> <p>Sep. 2008    Corporate Officer, Branch Manager, Osaka Branch Office, Kewpie Corporation</p> <p>Jul. 2012    Corporate Officer, Branch Manager, Tokyo Branch Office, Kewpie Corporation</p> <p>Feb. 2014    Director, Branch Manager, Tokyo Branch Office, Kewpie Corporation</p> <p>Feb. 2016    Director, Executive Corporate Officer, Kewpie Corporation</p> <p>Feb. 2017    Representative Director, President and Chief Executive Corporate Officer, Kewpie Corporation</p> <p>May 2021    Chairman, Kewpie Mirai Tamago Foundation (present)</p> <p>Feb. 2022    Advisor, Kewpie Corporation</p> <p>Jun. 2023    Outside Director of the Company (present)</p> <p>[Significant concurrent positions at other organizations] Chairman, Kewpie Mirai Tamago Foundation</p> <p>[Reason for nomination as a candidate for outside director and summary of expected role] 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. The Company considers he has sufficiently fulfilled the role that the Company expects at the board of directors and has nominated him once more as a candidate for outside director. 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> <p>[Supplementary information regarding independence and significant concurrent positions at other organizations]</p> <p>1. Independence as outside director The Company designates Mr. Osamu Chonan as an independent officer under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly. If his reelection is approved, he is scheduled to continue as an independent officer. He meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25). 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.</p> <p>2. Significant concurrent positions at other organizations There is no special relationship between the Company and organizations where Mr. Osamu Chonan holds significant concurrent positions.</p> <p>[Tenure as outside director] One year (at the conclusion of this general meeting)</p>
No. of Company shares owned						
0						
Attendance at meetings of the board of directors						
14 of 14 (100%)						

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company		
7	<p data-bbox="347 443 528 510">Hisayuki Suekawa (March 17, 1959)</p> <div data-bbox="360 577 512 611" style="border: 1px solid black; padding: 2px; text-align: center;">New candidate</div> <div data-bbox="395 622 480 656" style="border: 1px solid black; padding: 2px; text-align: center;">Outside</div> <div data-bbox="373 667 502 701" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div> <div data-bbox="312 734 560 835" style="border: 1px solid black; padding: 2px; margin-top: 10px;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">No. of Company shares owned</td> </tr> <tr> <td style="text-align: center; padding: 2px;">0</td> </tr> </table> </div>	No. of Company shares owned	0	<p data-bbox="576 371 1350 887"> Apr. 1982    Joined Shiseido Co., Ltd.  Apr. 2008    Corporate Officer, General Manager, Corporate Planning Department, Shiseido Co., Ltd.  Jun. 2009    Director, Corporate Officer, General Manager, Corporate Planning Department, Shiseido Co., Ltd.  Apr. 2010    Director, Corporate Executive Officer and General Manager, Business Planning Department, Shiseido Co., Ltd.  Apr. 2011    Representative Director, President and CEO, Shiseido Co., Ltd.  Apr. 2013    Senior Advisor, Shiseido Co., Ltd.  Jun. 2014    Outside Director, Nitta Gelatin Inc.  Jun. 2017    Outside Director, San Holdings, Inc.  Jul. 2019    Advisor, NIPPON KANZAI Co., Ltd.  Jun. 2020    Unaffiliated Director, Morishita Jintan Co., Ltd. (present)  Apr. 2023    Director, Showa Women's University (present)  Apr. 2023    Advisor, NIPPON KANZAI HOLDINGS Co., Ltd. (present) </p> <p data-bbox="576 898 1350 1070"> [Significant concurrent positions at other organizations]  Unaffiliated Director, Morishita Jintan Co., Ltd.*  Advisor, NIPPON KANZAI HOLDINGS Co., Ltd.*  Director, Showa Women's University  (* indicates company listed on stock exchange) </p> <p data-bbox="576 1081 1350 1413"> [Reason for nomination as a candidate for outside director and summary of expected role]  Mr. Hisayuki Suekawa has held positions of responsibility in the corporate planning department of a manufacturing company with a global reach extending to some 120 countries and regions, mainly in cosmetics business, 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.  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> <p data-bbox="576 1424 1350 1731"> [Supplementary information regarding independence and significant concurrent positions at other organizations]  1. Independence as outside director  If the election of Mr. Hisayuki Suekawa is approved, the Company plans to designate him as an independent officer under the provisions of the Tokyo Stock Exchange, Inc.  He meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25).  2. Significant concurrent positions at other organizations  There is no special relationship between the Company and organizations where Mr. Hisayuki Suekawa holds significant concurrent positions. </p>
No. of Company shares owned				
0				

- (Notes)
1. There are no special interests between the candidates and the Company.
  2. Mr. Hisayuki Suekawa is a new candidate for director.
  3. Ms. Takako Hagiwara, Mr. Osamu Chonan, and Mr. Hisayuki Suekawa are candidates for outside director.
  4. The Company has entered into agreements with Mr. Takashi Shigemori, Ms. Takako Hagiwara, and Mr. Osamu Chonan to limit their liability for damages under article 423, paragraph 1 of the Companies Act. If their reelection is approved, the Company plans to renew the respective agreements with each of them. Pursuant to this agreement, the Company shall set the defined maximum amount of liability for damages, if he or she has acted in good faith and without gross negligence in performing his or her duties, at the minimum liability amount provided for under article 425, paragraph 1 of the Companies Act. In addition, if the election of Mr. Hisayuki Suekawa is approved, the Company plans to enter into the same agreement with him.
  5. The Company has entered into a directors and officer's 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 a 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.
  6. "No. of Company shares owned" is current as of March 31, 2024.
  7. "Attendance at meetings of the board of directors" for Mr. Takashi Shigemori and Mr. Osamu Chonan is attendance after they assumed their positions on June 21, 2023.

**Proposal 2** Election of four (4) directors who are audit and supervisory committee members

Among the five (5) members of the audit and supervisory committee, the terms of office of Messrs. Kenji Hamashima, Satoshi Tamai, Minoru Sanari, and Tomokazu Fujisawa will expire at the conclusion of this general meeting of shareholders.

Therefore, the Company proposes the election of four (4) directors who are audit and supervisory committee members.

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

The candidates for directors who are audit and supervisory committee members are as follows:

No.	Name	Positions and responsibilities in the Company	Attendance at meetings of the board of directors (Fiscal 2023)	Attendance at meetings of the audit and supervisory committee (Fiscal 2023)
1	Nobukazu Kuboi <input type="checkbox"/> New candidate	Audit and Supervisory Officer General Manager, Audit and Supervisory Committee Office	–	–
2	Minoru Sanari <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Outside Director (Audit and Supervisory Committee Member)	17/17	13/13
3	Tomokazu Fujisawa <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Outside Director (Audit and Supervisory Committee Member)	17/17	13/13
4	Shiho Ito <input type="checkbox"/> New candidate <input type="checkbox"/> Outside <input type="checkbox"/> Independent <input type="checkbox"/> Female	–	–	–

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company
1	<p data-bbox="352 445 520 506">Nobukazu Kuboi (May 26, 1962)</p> <p data-bbox="360 546 512 575">New candidate</p> <hr/> <p data-bbox="352 696 520 757">No. of Company shares owned</p> <p data-bbox="405 763 467 792">2,400</p>	<p data-bbox="576 371 927 400">Jul. 2001    Joined the Company</p> <p data-bbox="576 409 1018 465">Apr. 2013    General Manager, Financial Management Office</p> <p data-bbox="576 474 903 504">Jun. 2017    Executive Officer</p> <p data-bbox="576 512 1083 542">Jun. 2020    Audit &amp; Supervisory Board Member</p> <p data-bbox="576 551 1307 629">Jun. 2022    Audit and Supervisory Officer General Manager, Audit and Supervisory Committee Office (present)</p> <p data-bbox="576 638 1115 667">[Significant concurrent positions at other organizations]</p> <p data-bbox="576 676 632 705">None</p> <p data-bbox="576 714 1257 770">[Reason for nomination as a candidate for director who is an audit and supervisory committee member]</p> <p data-bbox="576 779 1347 965">Mr. Nobukazu Kuboi has professional experience as a certified accountant, and after joining the Company, he has been engaged in financial management for many years. He also has experience working in the fields of internal controls, compliance, and governance, and with this extensive knowledge and expertise, the Company has determined that he can provide accurate auditing and supervision for overall management of the Company, and has nominated him as a candidate for director who is an audit and supervisory committee member.</p>

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company						
2	<p style="text-align: center;">Minoru Sanari (May 20, 1958)</p> <p style="text-align: center;">Reappointment Outside Independent</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <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="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Attendance at meetings of the board of directors</td> </tr> <tr> <td style="text-align: center;">17 of 17 (100%)</td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Attendance at meetings of the audit and supervisory committee</td> </tr> <tr> <td style="text-align: center;">13 of 13 (100%)</td> </tr> </table>	No. of Company shares owned	0	Attendance at meetings of the board of directors	17 of 17 (100%)	Attendance at meetings of the audit and supervisory committee	13 of 13 (100%)	<p>Apr. 1983    Joined Tokyo Gas Co., Ltd.</p> <p>Apr. 1995    Bar admission (Daini Tokyo Bar Association)</p> <p>Apr. 2008    General Counsel, Legal section, General Administration Department, Tokyo Gas Co., Ltd.</p> <p>Apr. 2017    Executive Officer in charge of Governance, Tokyo Gas Co., Ltd.</p> <p>Apr. 2019    Senior Advisor, Tokyo Gas Co., Ltd.</p> <p>Jun. 2022    Outside Director, Audit and Supervisory Committee Member of the Company (present)</p> <p>Apr. 2024    Special Counsel, Hayakawa Law Offices (present)</p> <p>[Significant concurrent positions at other organizations] Special Counsel, Hayakawa Law Offices</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. Minoru Sanari has specialized knowledge as an attorney and abundant experience in corporate legal affairs and corporate governance for many years at the largest city gas company in Japan.</p> <p>In addition, he is currently serving as the Company's outside director (audit and supervisory committee member; the term of office at the conclusion of this general meeting is two years), and considering the record of sufficiently fulfilling the roles that the Company has expected so far, the Company has determined that he can be expected to provide accurate auditing and supervision for overall management of the Company, and has nominated him once more as a candidate for outside director who is an audit and supervisory committee member.</p> <p>[Supplementary information regarding independence and significant concurrent positions at other organizations]</p> <ol style="list-style-type: none"> <li>1. Independence as outside director The Company designates Mr. Minoru Sanari as an independent officer under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly. If the reelection of Mr. Minoru Sanari is approved, he is scheduled to continue as an independent officer. He meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25). Mr. Minoru Sanari had served as a senior advisor of Tokyo Gas Co., Ltd. within the past three years, and said company has a product sales business relationship with the Company. However, the ratio of the transaction amount to the consolidated net sales of both companies in the most recent fiscal year is less than 0.1%, and therefore does not affect his independence.</li> <li>2. Significant concurrent positions at other organizations There is no special relationship between the Company and organizations where Mr. Minoru Sanari holds significant concurrent positions.</li> </ol> <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								
17 of 17 (100%)								
Attendance at meetings of the audit and supervisory committee								
13 of 13 (100%)								

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company						
3	<p data-bbox="336 443 536 510">Tomokazu Fujisawa (July 6, 1958)</p> <p data-bbox="360 577 512 611">Reappointment</p> <p data-bbox="395 622 480 656">Outside</p> <p data-bbox="371 667 504 701">Independent</p> <table border="1" data-bbox="312 734 560 835"> <tr> <td data-bbox="352 741 520 797">No. of Company shares owned</td> </tr> <tr> <td data-bbox="427 801 445 835">0</td> </tr> </table> <table border="1" data-bbox="312 869 560 969"> <tr> <td data-bbox="320 875 552 931">Attendance at meetings of the board of directors</td> </tr> <tr> <td data-bbox="352 936 520 969">17 of 17 (100%)</td> </tr> </table> <table border="1" data-bbox="312 1003 560 1126"> <tr> <td data-bbox="320 1010 552 1088">Attendance at meetings of the audit and supervisory committee</td> </tr> <tr> <td data-bbox="352 1093 520 1126">13 of 13 (100%)</td> </tr> </table>	No. of Company shares owned	0	Attendance at meetings of the board of directors	17 of 17 (100%)	Attendance at meetings of the audit and supervisory committee	13 of 13 (100%)	<p data-bbox="576 371 1353 427">Jul. 1984    Joined Fujisawa Pharmaceutical Co., Ltd. (now Astellas Pharma Inc.)</p> <p data-bbox="576 439 1286 495">Apr. 1999    Director of Planning, Medical Supply Business, Fujisawa Pharmaceutical Co., Ltd.</p> <p data-bbox="576 506 1326 562">Apr. 2003    Assistant to CEO, Fujisawa Healthcare Inc. (now Astellas US LLC)</p> <p data-bbox="576 573 1278 607">Apr. 2013    Vice President of Internal Auditing, Astellas Pharma Inc.</p> <p data-bbox="576 618 1350 674">Jun. 2014    Full-time Audit &amp; Supervisory Board Member, Astellas Pharma Inc.</p> <p data-bbox="576 685 1310 741">Jun. 2018    Director, Audit &amp; Supervisory Committee Member, Astellas Pharma Inc.</p> <p data-bbox="576 752 1350 808">Jun. 2022    Outside Director, Audit and Supervisory Committee Member of the Company (present)</p> <p data-bbox="576 819 1114 853">[Significant concurrent positions at other organizations]</p> <p data-bbox="576 864 632 898">None</p> <p data-bbox="576 909 1334 965">[Reason for nomination as a candidate for outside director who is an audit and supervisory committee member, and summary of expected role]</p> <p data-bbox="576 976 1359 1144">Mr. Tomokazu Fujisawa has extensive insight and abundant experience, having worked as the director of planning for a business department of a global pharmaceutical company that engages in pharmaceutical businesses around the world, as well as having work experience at said company's overseas subsidiary. After engaging in audit work, he also served as a full-time audit &amp; supervisory board member of the company and a director who is an audit and supervisory committee member, and accordingly has high level of knowledge and abundant experience.</p> <p data-bbox="576 1155 1359 1368">In addition, he is currently serving as the Company's outside director (audit and supervisory committee member; the term of office at the conclusion of this general meeting is two years), and considering the record of sufficiently fulfilling the roles that the Company has expected so far, the Company has determined that he can be expected to provide accurate auditing and supervision for overall management of the Company, and has nominated him once more as a candidate for outside director who is an audit and supervisory committee member.</p> <p data-bbox="576 1379 1350 1435">[Supplementary information regarding independence and significant concurrent positions at other organizations]</p> <p data-bbox="576 1447 895 1480">Independence as outside director</p> <p data-bbox="616 1491 1359 1547">The Company designates Mr. Tomokazu Fujisawa as an independent officer under the provisions of the Tokyo Stock Exchange, Inc., and submits as such accordingly.</p> <p data-bbox="616 1559 1334 1615">If the reelection of Mr. Tomokazu Fujisawa is approved, he is scheduled to continue as an independent officer.</p> <p data-bbox="616 1626 1350 1682">He meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25).</p> <p data-bbox="616 1693 1359 1749">Mr. Tomokazu Fujisawa previously served as director who is an audit &amp; supervisory committee member of Astellas Pharma Inc. However, there is no special relationship between Astellas Pharma Inc. and the Company.</p> <p data-bbox="576 1760 983 1816">[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								
17 of 17 (100%)								
Attendance at meetings of the audit and supervisory committee								
13 of 13 (100%)								

No.	Name (Date of birth)	Brief career summary, positions and responsibilities in the Company
4	<p style="text-align: center;">Shiho Ito (December 27, 1963)</p> <p style="text-align: center;">New candidate</p> <p style="text-align: center;">Outside</p> <p style="text-align: center;">Independent</p> <p style="text-align: center;">Female</p> <hr/> <p style="text-align: center;">No. of Company shares owned</p> <p style="text-align: center;">0</p>	<p>Apr. 1987    Joined Toyo Trust and Banking Co., Ltd. (now Mitsubishi UFJ Trust and Banking Corporation)</p> <p>Oct. 1991    Joined Chuo Shinko Audit Corporation (later MISUZU Audit Corporation)</p> <p>Jul. 2005    Partner, Chuo Aoyama Audit Corporation (later MISUZU Audit Corporation)</p> <p>Aug. 2007    Joined Shin Nihon &amp; Co. (now Ernst &amp; Young ShinNihon LLC)</p> <p>Jun. 2022    Outside Director, Japan Display Inc. (present)</p> <p>Jul. 2022    Established Shiho Ito CPA Office (present)</p> <p>Dec. 2023    Supervisory Director, Nomura Real Estate Private REIT, Inc. (present)</p> <p>[Significant concurrent positions at other organizations]</p> <p>Certified accountant, Shiho Ito CPA Office</p> <p>Outside Director, Japan Display Inc.*</p> <p>(* indicates company listed on stock exchange)</p> <p>[Reason for nomination as a candidate for outside director who is an audit and supervisory committee member, and summary of expected role]</p> <p>Although Ms. Shiho Ito does not have direct experience in corporate management beyond her role as an outside officer, she is qualified as a certified accountant and has experience as a partner at major Japanese audit firms. Additionally, she serves as outside director of a major global LCD panel manufacturer. She therefore possesses extensive business knowledge in addition to her specialized expertise in accounting.</p> <p>Based on this, the Company has determined that she can be expected to provide accurate audit and supervision for the overall management of the Company and has nominated her as a candidate for outside director who is an audit and supervisory committee member.</p> <p>[Supplementary information regarding independence and significant concurrent positions at other organizations]</p> <p>1. Independence as outside director</p> <p style="padding-left: 20px;">If the election of Ms. Shiho Ito is approved, the Company plans to designate her as an independent officer under the provisions of the Tokyo Stock Exchange, Inc.</p> <p style="padding-left: 20px;">She meets the independence criteria set out in the Company's criteria for independence of outside directors (the criteria are as described on page 25).</p> <p>2. Significant concurrent positions at other organizations</p> <p style="padding-left: 20px;">Ms. Shiho Ito is an outside director at Japan Display Inc., which has a product sales business relationship with the Company. However, the ratio of the transaction amount to the consolidated net sales of both companies in the most recent fiscal year is less than 0.4%.</p> <p style="padding-left: 20px;">There is no other special relationship between the Company and organizations where she holds significant concurrent positions.</p>



- (Notes)
1. There are no special interests between the candidates and the Company.
  2. Mr. Nobukazu Kuboi and Ms. Shiho Ito are candidates for new directors who are audit and supervisory committee members.
  3. Mr. Minoru Sanari, Mr. Tomokazu Fujisawa and Ms. Shiho Ito are candidates for outside director.
  4. The Company has entered into agreements with Messrs. Minoru Sanari and Tomokazu Fujisawa to limit their liability for damages under article 423, paragraph 1 of the Companies Act. If the reelection of both of them is approved, the Company plans to renew the respective agreements with each of them. Pursuant to this agreement, the Company shall set the defined maximum amount of liability for damages, if he or she has acted in good faith and without gross negligence in performing his or her duties, at the minimum liability amount provided for under article 425, paragraph 1 of the Companies Act. In addition, if the election of Ms. Shiho Ito is approved, the Company plans to enter into the same agreement with her.
  5. The Company has entered into an officers, etc. 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 a 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.
  6. In the Japan national family register, Ms. Shiho Ito is registered as Ms. Shiho Sasaki.
  7. “No. of Company shares owned” is current as of March 31, 2024.

<For Reference>

## Corporate Governance

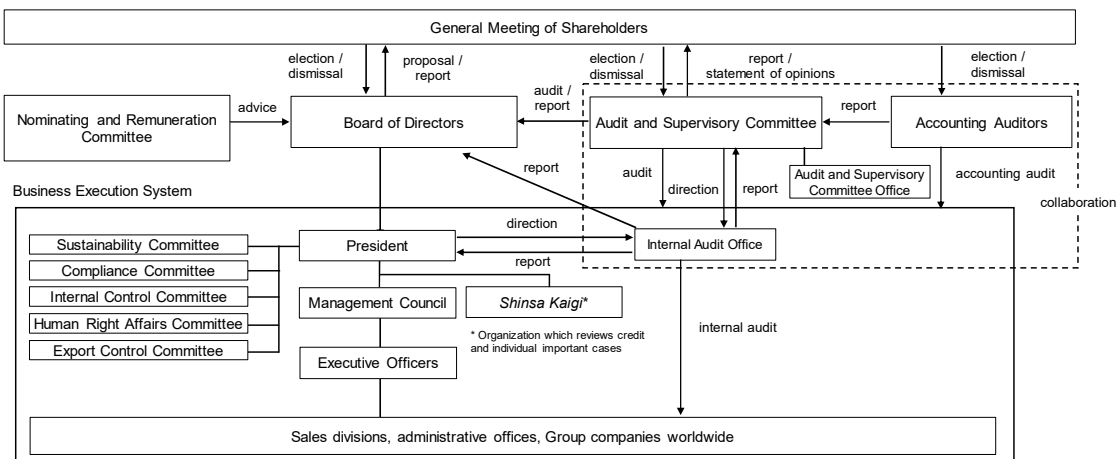
Corporate governance structure of the Company is as follows:

### 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 1 and 2 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
<b>7</b> persons	<b>5</b> persons	<b>58%</b> (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 (*female)	Global manage- ment	Business and industry knowledge			Finance and account- ing	Legal/ risk manage- ment/ Internal control	HR/labor	IT/digital	ESG
			Electro- nics/ Energy	Materials /Chemi- cals	Food/ Life					
Director	Inside	Katsutaro Inabata	●	●			●	●		●
		Toyohiro Akao		●	●	●				
		Kenichi Yokota				●	●	●	●	●
		Takashi Shigemori			●	●			●	
	Outside/Independent	Takako Hagiwara*		●				●		●
		Osamu Chonan	●		●					
		Hisayuki Suekawa	●		●					
Director (Audit and Supervisory Committee Member)	Inside	Nobukazu Kuboi				●	●			●
		Minoru Sanari		●			●			
	Outside/Independent	Tomokazu Fujisawa			●		●			
		Noriya Yokota			●	●		●	●	●
		Shiho Ito*				●	●			

**[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 new mid-term business plan “New Challenge 2026” (“NC2026”) 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 supervision of business execution, as we

expand globally, based on this management philosophy, vision, the long-term vision “IK Vision 2030,” and the new mid-term business plan “NC2026.” 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.

When judging the candidates under this requirement, Messrs. Katsutaro Inabata, Osamu Chonan, and Hisayuki Suekawa all have abundant experience as executive managers in global companies, demonstrating their global management skills.

### **(Business and 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. More specifically, Mr. Katsutaro Inabata was engaged in the Company’s plastics segment for many years. Mr. Toyohiro Akao was engaged for many years in the information & electronics segment, and then, after being appointed director, he supervised the chemicals and lifestyle industry segments. These two executives possess knowledge and experience concerning different businesses of the Company.

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. In regard to the candidates for outside director, all of the candidates have valuable expertise in their respective fields of business gained from work at other companies.

### **(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. Mr. Kenichi Yokota has long served in management positions in the finance, accounting, and IR departments, and as part of his duties, he has held dialogues with various investors and provided valuable feedback to Company management as part of his consistent efforts to strengthen corporate governance and enhance corporate value. Mr. Takashi Shigemori was engaged in the finance and accounting affairs at a global chemical company. Additionally, after being appointed director at that company, he oversaw its finance and accounting operations.

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. Mr. Nobukazu Kuboi has long been engaged in the Company's finance and accounting operations. After being appointed full-time audit & supervisory board member, he was engaged in the Company's audit operations. Mr. Noriya Yokota has held the position of CFO at a major global alcoholic beverages and soft drinks manufacturer. He has extensive knowledge and experience in finance, accounting, and IR operations. Ms. Shiho Ito has specialized expertise as a certified accountant. She has many years of experience in accounting audits at various companies, and this experience will be valuable in strengthening the Company's supervisory function for business execution.

#### **(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, latent risk associated with overseas business activities, foreign exchange fluctuation risk, and commodity market fluctuation risks. Therefore, risk management is extremely important for management. As director, Mr. Katsutaro Inabata has had direct control over the internal audit department, and in that capacity he has been closely involved with risk management and internal controls. In addition, he has served for many years as chair of the Compliance Committee. Mr. Kenichi Yokota has served for many years as chair of the Company's Internal Control Committee while being directly involved in the establishment of internal control systems. After being appointed director, he has been in charge of the legal and risk management departments.

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. Mr. Minoru Sanari is a registered attorney with expertise in all aspects of corporate legal affairs accumulated through his years of work as in-house lawyer at the largest city gas company in Japan.

Additionally, we have 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. Mr. Nobukazu Kuboi has been engaged in the establishment of internal control systems since the rollout of the J-SOX system. Mr. Tomokazu Fujisawa has extensive hands-on experience in internal control and auditing systems. His experience includes auditing at a major global pharmaceutical company and serving a full-time audit & supervisory board member and a director who is an audit and supervisory committee member. Ms. Shiho Ito has extensive expertise and experience in internal control and auditing after having been engaged in internal controls and audits of various companies over many years as an employee of major audit firms.

#### **(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. The new mid-term

business plan “NC2026” places a priority on improving the well-being of employees who support our sustainable growth, promoting diversity and inclusion, further expanding health and productivity management initiatives, and making greater investments in our human capital. To implement this strategy, 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. During his experience as director, Mr. Katsutaro Inabata has been in charge of the human resources department. Mr. Kenichi Yokota currently is in charge of the human resources department and has extensive experience reforming various personnel systems.

In addition, Ms. Takako Hagiwara has experience in human resources management at a major global electronics manufacturer. Since her appointment as outside director, she has used her extensive experience to provide advice and insights on the Company’s human resources strategies and on the priority management issue of diversity promotion. Mr. Noriya Yokota has extensive experience in human resources and labor, having served as director of group-wide human resources and general affairs at a major alcoholic beverages and soft drinks manufacturer.

#### **(IT/Digital)**

The Company’s new mid-term business plan “NC2026” includes a medium-term digital strategy as one of the core management strategies. The basic policy behind the new digital strategy is to enhance the management information infrastructure and strengthen group-wide security. To implement the digital strategy and promote data-driven management and digital transformation initiatives, we need specialized expertise in IT and digital technology. 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.

Mr. Kenichi Yokota holds multiple national certifications in the IT and digital fields for information technology engineers and other experts. With that specialized knowledge, he has led many initiatives aimed at strengthening the Group’s overall information security. Additionally, Mr. Takashi Shigemori and Mr. Noriya Yokota both have broad expertise in the IT and digital field, having served as CIOs or equivalent positions at major global companies.

#### **(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.

Mr. Katsutaro Inabata has expertise in all areas of ESG, having served as chair of the Company’s Sustainability Committee. Mr. Kenichi Yokota has led initiatives to improve corporate governance, and while in charge of human resources, he implemented employee engagement surveys and health and productivity management programs. Through these initiatives, he has developed particular expertise in the Governance and Society aspects of ESG. Mr. Nobukazu Kuboi was closely engaged in worksite-level initiatives to introduce a corporate governance code. He has developed particular expertise in the Governance aspect of ESG.

Additionally, Ms. Takako Hagiwara has extensive experience in human resources policymaking and diversity promotion strategies. She is expected to take a leading role in making

recommendations in the Society area of ESG. Mr. Noriya Yokota has been in charge of management strategies at a major alcoholic beverages and soft drinks manufacturer that has demonstrated leadership among Japanese companies for its advanced initiatives in the environmental area. He is expected to take a leading role in making recommendations in the Environment area of ESG.



● **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 ended in the fiscal year to March 31, 2024.

One of the key initiatives of the plan was “continuous review of asset holdings and further improvement of fund and asset efficiency.” As part of this initiative, the Company had decided on a policy of reducing its strategic shareholdings. The goal was to reduce the balance of strategic shareholdings by 50% by March 31, 2024 compared to the balance on March 31, 2021. The Company’s actual result exceed that target. We will continue to reduce strategic shareholdings by March 31, 2027, marking the final year of the new mid-term business plan “NC2026.”

#### **Policy on Reduction of Strategic Shareholdings**

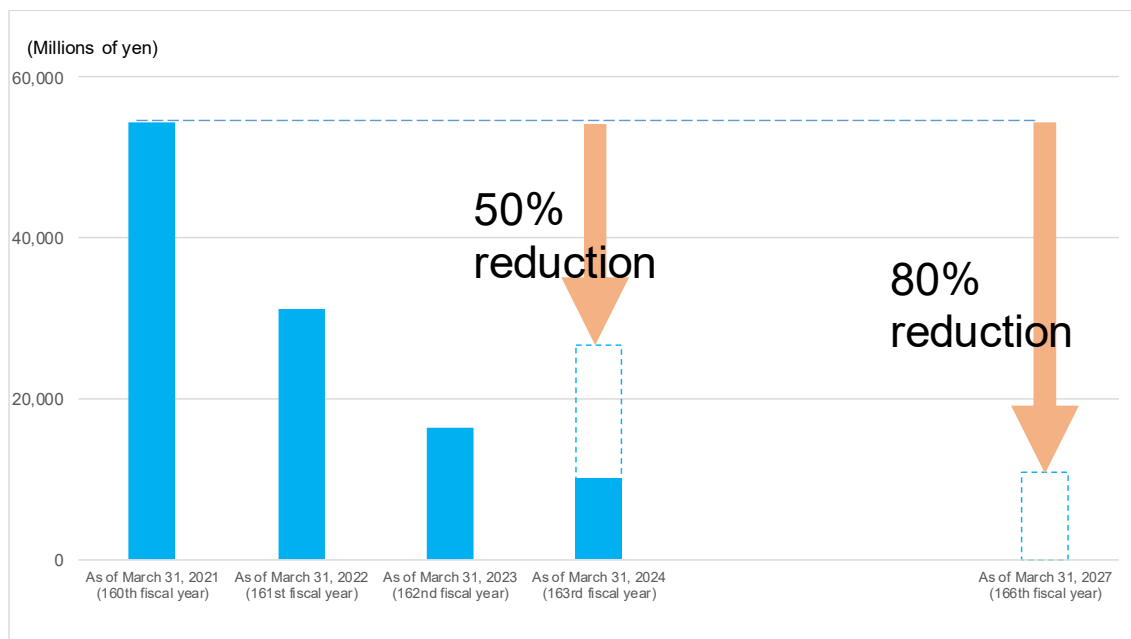
- **Further reduce strategic shareholdings over the medium to long term, aiming for a reduction of around 80% compared to the balance on March 31, 2021 by March 31, 2027.**
- \* The initial policy of “reduce the balance of strategic shareholdings by 50% compared to the balance on March 31, 2021 during the three years of “NC2023”” has already been achieved.

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, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Sales of strategic shareholdings	3,026	2,944	9,367	10,076	4,159

## 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, 2022 (161st fiscal year)	March 31, 2023 (162nd fiscal year)	March 31, 2024 (163rd fiscal year)
Balance sheet recorded amount (Millions of yen)	Non-listed shares	6,692	4,955	6,315
	Shares other than non-listed shares	31,121	16,432	10,060
	Total amount	37,814	21,388	16,376
Consolidated net assets (millions of yen)		176,914	181,507	206,754
Consolidated net asset ratio		21.4%	11.8%	7.9%

\* As of March 31, 2024, in addition to those shares stated above, there exists ¥1,766 million in deemed holding shares, and the total amount of non-listed shares, shares other than non-listed shares and deemed holding shares is ¥18,143 million. This was 8.8% of the consolidated net assets as of March 31, 2024. 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

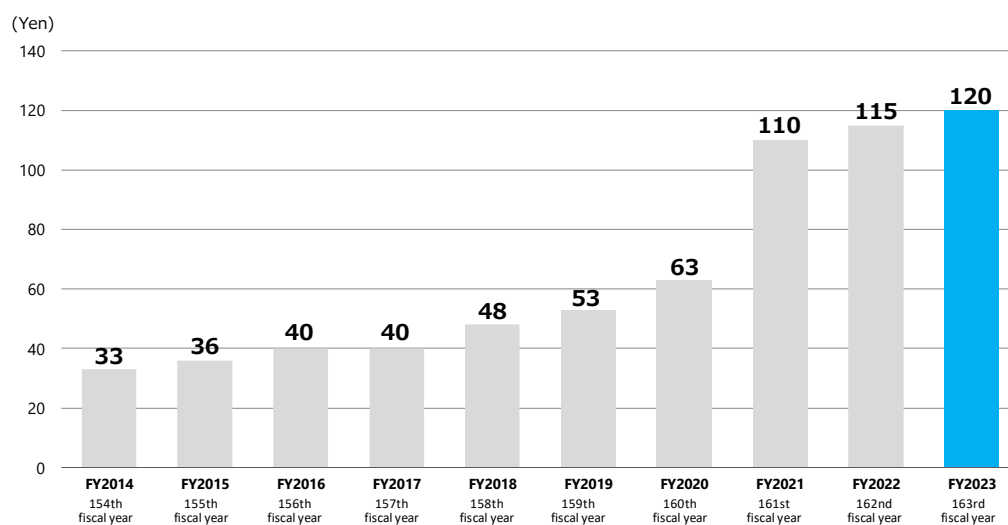
The basic policy on shareholder return during the period of the mid-term business plan “NC2023” of the Company was as follows. The Company will maintain the following basic policy on shareholder return under the new mid-term business plan “NC2026,” the final year of which will end March 31, 2027.

(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%.

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

### Trends in Dividends Paid Per Share



## **6. On the Nominating and Remuneration Committee (as of March 31, 2024)**

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: 12 meetings in the fiscal year ended March 31, 2024

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 inside 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 Nominating 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 on page 25, 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. A third-party evaluation, which is implemented every three years, was carried out by a third-party organization in fiscal 2023. A summary of the evaluation results and future measures have been disclosed on the Company's website.

[Outline of fiscal 2023 evaluation and future measures]

1. Target	All current directors as of March 31, 2024 (Seven directors who are not audit and supervisory committee members, and five who are audit and supervisory committee members)
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<p>2. Evaluation methodology</p>	<ul style="list-style-type: none"> <li>▪ The Company hired an outside consultant as a third-party organization (“the third-party organization”)</li> <li>▪ The Company had evaluation targets answer a questionnaire, and conducted individual interviews</li> <li>▪ The third-party organization collected the results of the analysis and evaluation based on the results of answers to the questionnaire and interviews, and reported these results to the board of directors of the Company at its meeting on March 27, 2024.</li> <li>▪ After verification by the board of directors of the content of the report, the direction of future measures was decided</li> </ul>
<p>3. Overview of results of analysis and evaluation</p>	<p>As a result of the analysis and evaluation carried out by the third-party organization, the following points were identified concerning the awareness and way of thinking of all target directors in regard to the current status of the Company.</p> <p>[Evaluation of the current state of business and business portfolio]</p> <ul style="list-style-type: none"> <li>▪ The plastics and information &amp; electronics segments are expected to remain pillars of the Company in the future. At the same time, the evaluation found that it is necessary to provide better external explanations regarding sustainable growth given the changes in the business environment. Additionally, these segments are expected to develop new customers and to generate derivative products.</li> <li>▪ Besides these two major business pillars, the evaluation found that the other segments that could form the third pillar of the Company’s business have shown steady growth, driven by M&amp;As and other initiatives. Regarding new businesses, the evaluation found it is necessary to visualize the growth areas and clarify the targets to ensure these businesses can be properly monitored by the board of directors.</li> <li>▪ Among the risks facing the Company, latent risk associated with overseas business activities, credit risk of business partners, and risk related to business investment are considered particularly high risks. The evaluation found that the Company has an appropriate level of risk tolerance, and the current level of risk is permissible given the Company’s size and financial structure.</li> </ul> <p>[Current status of the board of directors]</p> <ul style="list-style-type: none"> <li>▪ We believe the effectiveness of the Company’s board of directors increased by transitioning to a company with an audit and supervisory committee. The evaluation rated the functions of the board of directors highly, determining that the chairperson and other members are appropriately performing their roles and functions, and further that the board’s monitoring and supervision of business execution are being performed.</li> <li>▪ The board of directors continues to engage in open and lively discussions. With regard to medium- to long-term management issues that were raised in</li> </ul>

	<p>the previous fiscal year's evaluation, efforts were made to provide opportunities for discussion during the process for creating the new mid-term business plan, with all directors participating outside board of directors meetings. The evaluation determined that progress had been made in improving the understanding and discussion of the plan in these and other ways.</p> <ul style="list-style-type: none"> <li>• The evaluation also found that personnel-related problems constitute a major management issue. It was determined that more discussions are necessary at the board of directors regarding the human resources strategies, with the goal of promoting the engagement of a diverse workforce. Regarding sustainability issues, the Sustainability Committee meets regularly to discuss sustainability issues, with inside directors in attendance as committee members, and outside directors as observing members. These activities were deemed sufficient. The evaluation found that further discussions are needed regarding the promotion of internal diversity and the succession plan for the president and outside directors.</li> </ul> <p>[Overview of the Nominating and Remuneration Committee]</p> <ul style="list-style-type: none"> <li>• The activities of the Nominating and Remuneration Committee were highly evaluated. The evaluation found the members had clearly defined roles and had engaged in adequate discussions with an appropriate member composition at meetings. The selection process for the outside directors and the current officer compensation levels were highly rated. Regarding the provision of information from the Nominating and Remuneration Committee to the board of directors, the evaluation found the committee provided an insufficient amount of information on the details of its recommendations and discussion items.</li> </ul> <p>[Overview of the audit and supervisory committee]</p> <ul style="list-style-type: none"> <li>• The activities of the audit and supervisory committee were highly rated. The evaluation found the members had clearly defined roles and had engaged in adequate discussions with an appropriate member composition at meetings. It was deemed necessary to continue strengthening the internal audit structure efficiently and develop an organizational auditing system.</li> </ul> <p>[Support system for outside directors and communication among the outside directors]</p> <ul style="list-style-type: none"> <li>• It was determined that the outside directors have an adequate support system. It was also determined that communication among the outside directors, an issue raised in the previous fiscal year's evaluation, had improved.</li> </ul> <p>[Relations with investors and shareholders]</p> <ul style="list-style-type: none"> <li>• The evaluation highly rated relations with investors and shareholders, due to our vigorous IR activities, and the board of directors being adequately informed of the status of dialogues with investors. However, it was deemed</li> </ul>
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	<p>necessary to further communicate the Company's growth strategy and competitive advantages to earn higher evaluation in capital markets.</p>
<p>4. Future measures</p>	<p>The Company will strive to further enhance the effectiveness of the board of directors by executing the following initiatives to deal with the issues recognized from the results of the above-mentioned analysis and evaluation.</p> <ul style="list-style-type: none"> <li>▪ [Current state of business and business portfolio] Further strategic discussions on sustainable growth for each segment Visualize growth of new businesses and plan clear targets</li> <li>▪ Management issues Sales approach, human resources development, promotion of diversity and other human resource issues, recycling business, etc. Further discussions on sustainability issues</li> <li>▪ Medium- to long-term strategy Continue to hold more discussions on medium- to long-term strategy</li> <li>▪ Nominating and Remuneration Committee Continue progress on president succession and top management development Promote information sharing with the board of directors</li> <li>▪ Audit and supervisory committee membership and structure Strengthen internal audit structure</li> <li>▪ Relations with investors and shareholders Further communicate and disseminate the strengths of Inabata to capital markets</li> </ul>