

To Shareholders with Voting Rights:

33-1 Kanzaki-cho, Amagasaki, Hyogo  
(Head office: 6-14 Imabashi 2-chome, Chuo-ku, Osaka)  
**Kansai Paint Co., Ltd.**  
MORI Kunishi  
Representative Director of the Board, President

## NOTICE OF CONVOCATION OF THE 159TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to take this opportunity to thank you for your continued support.

You are cordially invited to attend the 159th Ordinary General Meeting of Shareholders of Kansai Paint Co., Ltd. (“the Company”). The Meeting will be held as described below.

In convening the Meeting, we have taken electronic provision measures regarding information on the reference materials of the general meeting of shareholders (Electronic Provision Measures Matters), which is posted as “NOTICE OF CONVOCATION OF THE 159TH ORDINARY GENERAL MEETING OF SHAREHOLDERS” on each website listed below. You are kindly requested to access and view either one of those websites.

The Company’s website: <https://www.kansai.co.jp/ir/meeting/>

Tokyo Stock Exchange’s website: <https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

\* On the Tokyo Stock Exchange’s website, please enter and search with the company name “Kansai Paint” or the securities code “4613,” and then select “Basic information,” “Documents for public inspection/PR information” to view the “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting.”

Website for materials of General Shareholders Meeting: <https://d.sokai.jp/4613/teiji/>

Those who are unable to attend the Meeting are invited to exercise their voting rights via the Internet or in writing. We kindly request our shareholders to review the following Reference Documents for the General Meeting of Shareholders included herein and cast your vote by 5 p.m., Wednesday, June 28, 2023 by either method.

1. Date and Time: 10 a.m., Thursday, June 29, 2023 (reception desk opens at 9 a.m.)
2. Venue: Kansai Paint Head Office  
6-14, Imabashi 2-chome, Chuo-ku, Osaka
3. Agenda:  
Matters to Be Reported:
  1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 159th Fiscal Term (from April 1, 2022 to March 31, 2023)

2. Reports of Audit on the Consolidated Financial Statements for the 159th Fiscal Term by the Independent Auditor and the Audit & Supervisory Board

Proposals of Resolution:

- First Item of Proposal: Appropriation of Surpluses of the 159th Fiscal Term  
Second Item of Proposal: Election of Nine (9) Directors of the Board  
Third Item of Proposal: Election of One (1) Audit & Supervisory Board Member  
Fourth Item of Proposal: Election of One (1) Alternate Audit & Supervisory Board Member

- ◎ Whenever it is necessary to make amendments to the Electronic Provision Measures Matters, the Company will post the reason therefor and matters before and after amendments on the aforementioned Company's website, the Tokyo Stock Exchange's website and the Website for materials of General Shareholders Meeting.
- ◎ Of the Electronic Provision Measures Matters, the following items are not included in the document distributed to shareholders who requested the delivery of a written document, in accordance with the applicable laws and ordinances and the provisions of Article 16, Paragraph 2 of the Company's Articles of Incorporation. Accordingly, the document delivered to shareholders who requested the delivery of a written document represents part of the subject documents which were audited by Audit & Supervisory Board Members and the Independent Auditor to prepare the Audit Report. Part of "Matters concerning the Current Situation of the Corporate Group," "Matters Related to Independent Auditors," and Part of "System and Policy of the Company" of the Business Report, as well as "Statement of Changes in Net Assets (consolidated)," "Notes to the Consolidated Financial Statements," "Statement of Changes in Net Assets (non-consolidated)," and "Notes to the Non-Consolidated Financial Statements."

[Our readiness to receive those coming to the venue on the day of the Meeting]

- Shareholders who are to attend the Meeting are cordially requested to consider the status of the spread of COVID-19 and your own health condition on that day.
- Should the spread of COVID-19 infection compel us to change the schedule and/or proceedings of the Meeting, such changes will be published on the Company's website (<https://www.kansai.co.jp/>).
- Please note that there will be no souvenir distributed to participants at the Meeting.

## Proposals and Information

### First Item of Proposal: Appropriation of Surpluses of the 159th Fiscal Term

The Company has a basic policy of distributing profits according to business results while taking into account the need to provide consistent and stable dividends to shareholders and to strengthen earning power through the enhancement of the business structure. The Company intends to make effective use of our internal reserves to establish a long-term stable business platform, as well as to invest in research and development and the improvement of our production and distribution systems both in Japan and abroad, to achieve further growth.

Based on this policy, the Company proposes appropriating surpluses of the 159th Fiscal Term as follows:

#### Payment of year-end dividends:

- (1) Amount of dividend:  
¥15.00 per share of the Company's common stock    Total dividends: ¥3,483,866,640
- (2) Effective date of appropriation of surpluses:  
June 30, 2023

## Second Item of Proposal: Election of Nine (9) Directors of the Board

The term of office of all eight (8) Directors of the Board will expire upon the close of this Meeting. The Company, therefore, requests the election of the current seven (7) and two new (2) Directors of the Board to continue to effectively promote the Company's Medium-term Management Plan in line with our growth strategy, which would maintain the ratio of independent outside Directors of the Board to the total Board Members at more than one-third (1/3).

The nominees for Directors of the Board are as follows:

No.	Name	Current position	Number of Board of Directors' meetings attended	
1	MORI Kunishi	Representative Director of the Board, President Reappointment	21/21	100%
2	TAKAHARA Shigeki	Representative Director of the Board, Vice President, Executive Officer Reappointment	21/21	100%
3	TERAOKA Naoto	Director of the Board, Managing Executive Officer Reappointment	21/21	100%
4	NISHIBAYASHI Hitoshi	Director of the Board, Managing Executive Officer Reappointment	20/21	95%
5	KAJIMA Junichi	Managing Executive Officer New Appointment	—	—
6	YOSHIKAWA Keiji	Outside Director of the Board Reappointment Outside Independent Officer	20/21	95%
7	OMORI Shinichiro	New Appointment Outside Independent Officer	—	—
8	ANDO Tomoko	Outside Director of the Board Reappointment Outside Independent Officer	21/21	100%
9	John P. Durkin	Outside Director of the Board Reappointment Outside Independent Officer	21/21	100%

Candidates for Director of the Board ( New Appointment )

Candidates for Director of the Board ( Reappointment )

Candidates for Director of the Board ( Outside )

Candidates for Independent Officer ( Independent Officer )

### Policy of nomination

The candidates for Directors of the Board of Kansai Paint are nominated to ensure that the Board of Directors has a balanced composition that includes diversity, such as gender and international aspects, in addition to the knowledge and abilities necessary for the Board of Directors to effectively fulfill its responsibilities.

In addition, the candidates for Outside Directors of the Board are nominated from among those with management experience, lawyers, accountants, etc. with a high level of expertise and abundant experience, in accordance with Kansai Paint's independence standards.

### Procedures of nomination

Kansai Paint's Directors of the Board have decided on the nomination of candidates for Directors after deliberation by the Nominating Committee, which consists of three (3) Outside Directors and two (2) Outside Audit & Supervisory Board Members.

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Number of Company Shares Held: 12,700

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Number of Board of Directors' meetings attended: 21/21 (100%)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 1981	Joined Kansai Paint
June 2010	Director of the Board, and Deputy General Manager of the Coatings Business Div.
June 2015	Representative Director of the Board; Managing Executive Officer in charge of Sales and International, concurrently serving as Representative Director of the Board, President of Kansai Paint Sales Co., Ltd.
April 2018	Representative Director of the Board, Senior Managing Executive Officer and COO in charge of Sales; and General Manager of the Coatings Business Div., concurrently serving as Representative Director of the Board, President, Kansai Paint Sales Co., Ltd. (retired March 2019)
April 2019	Representative Director of the Board, President of Kansai Paint (current)

#### Reason for nomination

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Mr. MORI Kunishi has extensive knowledge and experience in the Coatings Business, and since his appointment as Representative Director of the Board, President in 2019, he has demonstrated strong leadership and driven the Company's group management based on the 16th Medium-term Management Plan. Moreover, he has played a central role in the deliberation and supervisory functions of the Board of Directors regarding reforms and measures to be undertaken by the Company from a long-term perspective in the formulation of the "Good to Great" Group growth strategy and the promotion of ESG management, both of which were launched by the Company in 2020. In view of his experience and track record, Mr. MORI has been nominated as Director of the Board for the position of Chief Operating Officer to further strengthen the Company's business platform, promote the 17th Medium-term Management Plan, and enhance the corporate value of the Group.

Note: There are no special conflicts of interest between Mr. MORI Kunishi as a nominee and the Company.

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Number of Company Shares Held: 3,000

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Number of Board of Directors' meetings attended: 21/21 (100%)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 1981	Joined NEC Corporation
June 2007	CFO and Corporate Officer of MISUMI Group Inc.
February 2011	Member of the Board and Operating Officer, CFO, Accounting & Finance Lead of Pfizer Japan Inc. (retired February 2020)
April 2020	Joined Kansai Paint; Managing Executive Officer, and General Manager of Corporate Planning & Finance
April 2021	Senior Managing Executive Officer, and Chief of Corporate Planning, Finance, HR & Administration
June 2021	Director of the Board, Senior Managing Executive Officer, and Chief of Corporate Planning, Finance, HR & Administration
April 2022	Representative Director of the Board, Vice President Executive Officer, Chief of Corporate Planning, Finance, HR & Administration (current)

(Significant positions concurrently held)

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Director of the Board of Kansai Nerolac Paints Ltd.

Director of the Board of Kansai Paint Sales Co., Ltd.

#### Reason for nomination

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Mr. TAKAHARA Shigeki has been engaged in accounting and finance operations of leading global companies and has professional knowledge and abilities of corporate management gained through his abundant experience as a CFO. Mr. TAKAHARA Shigeki has been a Director of the Board of the Company since June 2021, and as the Chief of Corporate Planning, Finance, HR & Administration, he is responsible for directing the implementation of the 16th Medium-term Management Plan's cornerstone, "financial strategy, strengthening of governance and promotion of sustainability," using optimal methods that bring together the best practices of the Group. Mr. TAKAHARA was nominated as Director of the Board since he is deemed most appropriate for enabling the Company to further enhance corporate value and to achieve sustainable growth in the future.

Note: There are no special conflicts of interest between Mr. TAKAHARA Shigeki as a nominee and the Company.

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Number of Company Shares Held: 9,200

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Number of Board of Directors' meetings attended: 21/21 (100%)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 1985	Joined Kansai Paint
April 2012	Executive Officer, and General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div.
June 2019	Director of the Board, Managing Executive Officer in charge of Sales, and General Manager of Coatings Business Div., concurrently serving as Representative Director of the Board, and President of Kansai Paint Sales Co., Ltd.
April 2021	Director of the Board, Managing Executive Officer, and Chief of Japan Business Unit, concurrently serving as Representative Director of the Board, and President of Kansai Paint Sales Co., Ltd. (retired March 2023)
April 2023	Director of the Board, Managing Executive Officer, and Chief of Japan Business Unit (current)

#### Reason for nomination

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Mr. TERAOKA Naoto has been engaged in a wide range of sales and marketing activities, including automotive and industrial coatings, since joining the Company, and he has extensive knowledge of the Company's Coatings Business, achieving a great deal of success. He has been in charge of sales as Director of the Board and Managing Executive Officer since June 2019 and has been appointed Chief of the Japan Business Unit since 2021, responsible for business management from a medium- and long-term perspective to respond to changes in the business environment, directing the division. In view of his experience and track record, Mr. TERAOKA was nominated as Director of the Board since he is deemed most appropriate for promoting continuous business structural reform and profitability improvement in the overall Coatings Business.

Note: There are no special conflicts of interest between Mr. TERAOKA Naoto as a nominee and the Company.

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Number of Company Shares Held: 1,000

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Number of Board of Directors' meetings attended: 20/21 (95%)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 1987	Joined Kansai Paint
April 2015	Deputy Head of Automotive Refinish, Decorative and Protective Coatings Business Div.
April 2019	Executive Officer, and Deputy General Manager of Corporate Business Development Div.
June 2020	Director of the Board, Managing Executive Officer, and Head of International Business Unit.
July 2020	Director of the Board, and Managing Executive Officer in charge of Corporate Planning & Finance
April 2021	Director of the Board, Managing Executive Officer, and Chief of International Business Unit (current)

(Significant positions concurrently held)

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Director of the Board of Kansai Nerolac Paints Ltd.

Director of the Board of Kansai Plascon East Africa (Pty) Ltd.

President komisaris (Commissioner), PT Kansai Prakarsa Coatings

#### Reason for nomination

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Mr. NISHIBAYASHI Hitoshi has been engaged mainly in overseas business planning and its promotion since he joined the Company, and he has a wealth of experience in and knowledge of the business management of the Company's overseas subsidiaries as well as in promoting business collaboration, regardless of market sector or region. He has served as Director of the Board and Managing Executive Officer of the Company since June 2020 and as Chief of the International Business Unit since 2021, where he has promoted business optimization in each overseas segment and achieved results in improving profitability. In view of his knowledge and track record, Mr. NISHIBAYASHI was nominated as Director of the Board since he is deemed most appropriate for promoting global business portfolio management as our medium- and long-term growth driver.

Note: PT Kansai Prakarsa Coatings, for which Mr. NISHIBAYASHI Hitoshi, the candidate, serves as President Commissioner, conducts the same type of business as the Company, and the Company continuously sells paint to PT Kansai Prakarsa Coatings.

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Number of Company Shares Held: 3,100

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Number of Board of Directors' meetings attended: - / - (- %)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 1987	Joined Kansai Paint
April 2016	Deputy General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div.
April 2019	Executive Officer and Deputy General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div.
December 2019	Executive Officer in charge of technical supervision of Coatings Business Div. (automotive and industrial coatings)
April 2021	Executive Officer, concurrently serving as Director of the Board, and President of Kansai Helios Coatings GmbH (retired March 2023)
April 2023	Managing Executive Officer, and Chief of Corporate Production, Supply Chain Management (SCM), and Procurement (current)

#### Reason for nomination

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Mr. KAJIMA Junichi has been engaged mainly in technical operations in the automotive coatings business since joining the Company and has a wealth of broad knowledge and experience in promoting domestic and overseas businesses mainly in the field of technical liaison and development. From April 2021, as Director of the Board, President of Kansai Helios Coatings GmbH, one of the Group companies, he achieved steady results in management and promoting business of the European segment. Since April 2023, he has been serving as Managing Executive Officer and Chief of Corporate Production, Supply Chain Management (SCM), and Procurement. In view of his knowledge and track record, Mr. KAJIMA Junichi was nominated as Director of the Board since he is deemed most appropriate for further promoting the Company's domestic and overseas business structural reforms.

Note: There are no special conflicts of interest between Mr. KAJIMA Junichi as a nominee and the Company.

Number of Company Shares Held:	-
Number of Board of Directors' meetings attended: 20/21 (95%)	

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1973	Joined Nippon Sheet Glass Co., Ltd.
June 2008	Executive Officer, and Head of Functional Glass SBU of Nippon Sheet Glass Co., Ltd.
February 2012	Representative Executive Officer, Executive Vice President, and CPMO (Chief Project Management Officer) of Nippon Sheet Glass Co., Ltd.
April 2012	Representative Executive Officer, President and CEO of Nippon Sheet Glass Co., Ltd.
June 2015	Advisor of Nippon Sheet Glass Co., Ltd. (retired June 2017)
June 2018	Outside Director of the Board of Kansai Paint (current)
January 2021	Outside Director of LAUREL BANK MACHINES CO., LTD. (current)
May 2021	Outside Director of AEON DELIGHT CO., LTD. (current)
June 2021	Outside Director, and Member of the Audit and Supervisory Committee of Fujikura Ltd. (current)

(Significant positions concurrently held)

Outside Director of LAUREL BANK MACHINES CO., LTD.  
 Outside Director of AEON DELIGHT CO., LTD.  
 Outside Director, and Member of the Audit and Supervisory Committee of Fujikura Ltd.

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

Mr. YOSHIKAWA Keiji has vast experience in the manufacturing industry and deep insight as a manager, as well as a wealth of experience in and knowledge of product and supply chain management and global governance. Mr. YOSHIKAWA was nominated as outside Director of the Board since it is deemed beneficial to the Company if he continues to reflect his advice based on such insight in business management and monitor the Company's management from a fair and neutral position.

It should be noted that Mr. YOSHIKAWA will have served as Outside Director of the Board for five (5) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

Mr. YOSHIKAWA Keiji previously served as Advisor for Nippon Sheet Glass Co., Ltd., a client of the Company's group company, and a former officer of the Company has been appointed as Outside Director of Nippon Sheet Glass Co., Ltd. However, since the amount of business with said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.05% of said client's consolidated net sales, there is no risk of conflict of interest with general shareholders. He also serves Fujikura Ltd. as Outside Director (a Member of the Audit and Supervisory Committee). However, the amount of business with the said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.01% of the said client's consolidated net sales, so there is no risk of conflict of interest with general shareholders. His independence will not be affected as there is no business relationship between the Company and LAUREL BANK MACHINES CO., LTD. and AEON DELIGHT CO., LTD., where he currently serves as Outside Director. Furthermore, Mr. YOSHIKAWA fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 21.

It should be noted that the Company has designated Mr. YOSHIKAWA as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and has him registered as such with the institution

#### Limited liability agreement with the Outside Director of the Board nominee

The Company has concluded a limited liability agreement with Mr. YOSHIKAWA Keiji, the gist of which is stated in the Business Report (page 37). In the event that Mr. YOSHIKAWA is appointed and takes office, the Company will retain the agreement with him.

Note: Mr. YOSHIKAWA Keiji is a nominee for Outside Director of the Board. There are no special conflicts of interest between him and the Company.

Number of Company Shares Held: -

Number of Board of Directors' meetings attended: - / - (-%)

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

April 1978	Joined Hitachi, Ltd.
April 2016	Senior Vice President and Executive Officer of Hitachi, Ltd. (retired March 2019)
June 2017	Outside Director of Hitachi Capital Corp. (currently Mitsubishi HC Capital Inc.) (retired March 2019)
June 2017	Director of the Board of Hitachi Chemical Co., Ltd. (currently Resonac Corporation) (retired March 2018)
June 2019	Chairman of the Board of Hitachi Metals, Ltd. (currently Proterial, Ltd.) (retired March 2020)
July 2020	Chairman of the Board of Hitachi High-Tech Corporation (retired March 2021)
March 2022	Outside Director of KOKUYO Co., Ltd. (current)
June 2022	Outside Director of MACNICA FUJI ELECTRONICS HOLDINGS, INC. (currently MACNICA HOLDINGS, INC.) (current)

#### (Significant Positions Concurrently Held)

Outside Director of KOKUYO Co., Ltd.

Outside Director of MACNICA HOLDINGS, INC.

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

Mr. OMORI Shinichiro has long experience in corporate management and deep insight as well as a track record of management reforms and enhancement of governance. Mr. OMORI was nominated as Outside Director of the Board since it is deemed beneficial to the Company in its transition period, in which the medium- to long-term strategies are implemented, if he provides us with advice and monitoring of the Company's management and the Board of Directors from an objective and neutral point of view.

#### Independence as Outside Director of the Board nominee

Mr. OMORI Shinichiro previously served as Senior Vice President and Executive Officer for Hitachi, Ltd., a client of the Company's group company. However, since the amount of business with said client during the last fiscal year was less than 0.2% of the Company's consolidated net sales and less than 0.01% of said client's consolidated net sales, there is no risk of conflict of interest with general shareholders. Furthermore, Mr. OMORI previously served as Director of the Board for Hitachi Chemical Co., Ltd. (current Resonac Corporation). However, since the amount of business with said client during the last fiscal year was less than 0.2% of the Company's consolidated net sales and less than 0.05% of said client's consolidated net sales, there is no risk of conflict of interest with general shareholders. Also, Mr. OMORI previously served as Chairman of the Board of Hitachi Metals, Ltd. (current Proterial, Ltd.). However, since the amount of business with said client during the last fiscal year was less than 0.01% of the Company's consolidated net sales and less than 0.01% of said client's consolidated net sales, there is no risk of conflict of interest with general shareholders. Since there is no business relationship between the Company and KOKUYO Co., Ltd. and MACNICA HOLDINGS, INC., where he currently serves as Outside Director, his independence will not be affected. Furthermore, Mr. OMORI Shinichiro fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 21.

Assuming that this item of proposal is approved, the Company has designated him as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and notified the institution of his appointment.

#### Limited liability agreement with the Outside Director of the Board nominee

In the event that Mr. OMORI Shinichiro is appointed and takes office as an Outside Audit & Supervisory Board Member, the Company will conclude a limited liability agreement with Mr. OMORI that sets out his liability for failure to perform his duties in the amount prescribed by laws and ordinances, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.

Note: Mr. OMORI Shinichiro is a nominee for Outside Director. There are no special conflicts of interest between him and the Company.

Number of Company Shares Held:	-
Number of Board of Directors' meetings attended: 21/21 (100%)	

#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

December 1996	Joined Master Foods Ltd. (currently Mars Japan Limited)
January 2006	People Pipeline Manager of Master Foods Ltd. (retired July 2008)
August 2008	Joined NIHON L'ORÉAL K.K.
March 2011	Vice President and Head of Human Resources of NIHON L'ORÉAL K.K. (retired May 2016)
June 2018	Outside Director of PRESS KOGYO CO., LTD. (Audit and Supervisory Committee Member) (current)
June 2019	Outside Director of the Board of Kansai Paint (current)
June 2022	Outside Director of Isetan Mitsukoshi Holdings Ltd. (Member of the Compensation Committee and Audit Committee) (current)
January 2023	Representative Director of Open the Door Ltd. (current)

#### (Significant Positions Concurrently Held)

Outside Director (Audit and Supervisory Committee Member) of PRESS KOGYO CO., LTD.  
 Outside Director of Isetan Mitsukoshi Holdings Ltd. (Member of the Compensation Committee and Audit Committee)  
 Representative Director of Open the Door Ltd.

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

Ms. ANDO Tomoko has vast experience in the consumer products market and deep insight as a manager, as well as a wealth of experience in and knowledge of brand marketing, sales planning, personnel strategy, and human resource development. In view of her knowledge and track record, Ms. ANDO was nominated as outside Director of the Board since it is deemed beneficial to the Company if she continues to reflect her insight in the management of the Company and monitor the Company's management from a fair and neutral position.

It should be noted that Ms. ANDO will have served as Outside Board of Director for four (4) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

Although Ms. ANDO Tomoko previously served at Mars Japan Limited and NIHON L'ORÉAL K.K., the Company has no business relationship with these companies. She also currently serves at PRESS KOGYO CO., LTD., a client of the Company's group company, as Outside Director (Audit & Supervisory Board Member). The amount of business with said client during the last fiscal year was less than 0.05% of the Company's consolidated net sales and less than 0.2% of said client's consolidated net sales. The Company holds 96,985 shares of said client's stock, which only accounts for less than 0.1% of the number of shares issued by the client. Therefore, there is no risk of conflict of interest with general shareholders, and her independence will not be affected. Furthermore, since the Company has no business relationship with Isetan Mitsukoshi Holdings Ltd., in which Ms. ANDO serves as Outside Director, and Open the Door Ltd., in which she serves as Representative Director, her independence will not be affected. She also fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 21.

It should be noted that the Company has designated Ms. ANDO as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and has her registered as such with the institution.

#### Limited liability agreement with the Outside Director of the Board nominee

The Company has concluded a limited liability agreement with Ms. ANDO Tomoko, the gist of which is stated in the Business Report (page 37). In the event that Ms. ANDO is appointed and takes office, the Company will retain the agreement with her.

Note: Ms. ANDO Tomoko is a nominee for Outside Director. There are no special conflicts of interest between her and the Company.

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Number of Company Shares Held: -

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Number of Board of Directors' meetings attended: 21/21 (100%)

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#### Brief Personal History and Positions/Responsibilities at the Company (Significant Positions Concurrently Held)

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April 2010      Joined BELLSYSTEM24, Inc. as CFO (retired May 2012)

February 2013    Joined Sushiro Global Holdings Ltd. (currently FOOD & LIFE COMPANIES LTD.) as Board Director and CFO (retired December 2017)

January 2018     Joined John Masters Organics Group, Inc. as Board Director (retired April 2022)

June 2019        Outside Director of the Board of Kansai Paint (current)

#### Reasons for nomination as Outside Director of the Board, outline of his expected role, and his term of office

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Mr. John P. Durkin has vast and long experience in business management as CFO and a wealth of knowledge of general management, administration and corporate finance. Mr. Durkin was nominated as Outside Director of the Board since it is deemed beneficial to the Company if he continues to reflect his advice based on such insight in business management and monitor the Company's management from a fair and neutral position.

It should be noted that Mr. Durkin will have served as Outside Director of the Board for four (4) years as of the close of this Meeting.

#### Independence as Outside Director of the Board nominee

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Mr. John P. Durkin had served as CFO for BELLSYSTEM24, Inc. and Sushiro Global Holdings Ltd. (currently FOOD & LIFE COMPANIES LTD.), and he currently serves as Board Director for John Masters Organics Group, Inc., but his independence will not be affected since the Company has no business relationship with any of these companies. Furthermore, Mr. Durkin fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 21.

It should be noted that the Company has designated Mr. Durkin as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and has him registered as such with the institution.

#### Limited liability agreement with the Outside Director of the Board nominee

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The Company has concluded a limited liability agreement with Mr. John P. Durkin, the gist of which is stated in the Business Report (page 37). In the event that Mr. Durkin is appointed and takes office, the Company will retain the agreement with him.

Note: Mr. John P. Durkin is a nominee for Outside Director of the Board. There are no special conflicts of interest between him and the Company.

## Third Item of Proposal: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mr. Colin P. A. Jones will expire upon the close of this Meeting. The Company, therefore, proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its prior accord to this Third Item of Proposal.

The nominee for Audit & Supervisory Board Member is as follows:

NAKAI Hiroe (Born on May 20, 1961)

New Appointment  
Outside  
Independent Officer

Number of Company Shares Held: \_\_\_\_\_ - \_\_\_\_\_

### Brief Personal History and Positions at the Company (Significant Positions Concurrently Held)

April 1988 Registered as a lawyer (Osaka Bar Association)  
August 2016 Outside Audit & Supervisory Board Member of Kansai Paint (retired in June 2017)  
June 2018 Outside Director of GUNZE LIMITED (current)

(Significant positions concurrently held)

Lawyer and Outside Director of GUNZE LIMITED

### Reason for nomination as Outside Audit & Supervisory Board Member

Ms. NAKAI Hiroe has expertise in the legal field based on her many years of experience as a lawyer. From August 2016 to June 2017, she monitored the Company's management as Outside Audit & Supervisory Board Member from a fair and neutral standpoint. In view of her experience in supervising corporate management as Outside Director, Ms. NAKAI was nominated as Outside Audit & Supervisory Board Member since she is deemed most appropriate for enhancing the corporate governance of the Company, including its legal affairs and compliance, by utilizing her wealth of experience.

### The reason for determining that the nominee fulfills her duties as an Outside Audit & Supervisory Board Member

Ms. NAKAI Hiroe does not have experience dealing directly with corporate management by means other than serving as an Outside Officer, but it is believed that her professional knowledge and experience as a lawyer and adequate insights into guiding corporate management will enable her to fulfill the duties of an Outside Audit & Supervisory Board Member.

### Independence as Outside Director of the Board nominee

The Company does not do business with the law firm to which Ms. NAKAI Hiroe belongs. The Company has no business relationship with GUNZE LIMITED, where she currently serves as outside Director. Therefore, there are no special conflicts of interest between the said companies and the Company that would affect her independence. Furthermore, Ms. NAKAI fulfills the "Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members" established by the Company, which are included as Reference on page 21.

Assuming that this item of proposal is approved, the Company has designated her as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and notified the institution of her appointment.

### Limited liability agreement with the Outside Director of the Board nominee

In the event that Ms. NAKAI Hiroe is appointed and takes office, the Company will conclude a limited liability agreement with Ms. NAKAI that sets out her liability for failure to perform her duties in the amount prescribed by laws and ordinances, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.

Notes 1. Ms. NAKAI Hiroe's name on her family register is ASAMI Hiroe.

2. Ms. NAKAI Hiroe is a nominee for Outside Audit & Supervisory Board Member. There are no special conflicts of interest between her and the Company.

## Fourth Item of Proposal: Election of One (1) Alternate Audit & Supervisory Board Member

The term of office of Alternate Audit & Supervisory Board Member Ms. NAKAI Hiroe, who was elected at the 158th Ordinary General Meeting of Shareholders held on June 29, 2022, will expire upon the opening of this Meeting. The Company, therefore, proposes the election of one (1) Alternate Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its prior accord to this Fourth Item of Proposal.

The nominee for Alternate Audit & Supervisory Board Member is as follows:

**KURODA Ai** (Born on October 14, 1969)

Outside

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Number of Company Shares Held: -

### Brief Personal History and Positions at the Company (Significant Positions Concurrently Held)

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April 1995 Registered as a lawyer (Osaka Bar Association)

June 2017 Outside Audit & Supervisory Board Member of Kamigumi Co., Ltd. (current)

(Significant positions concurrently held)

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Lawyer and Outside Audit & Supervisory Board Member of Kamigumi Co., Ltd.

### Reason for nomination as Alternate Outside Audit & Supervisory Board Member

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Ms. KURODA Ai has expertise in the legal field based on her many years of experience as a lawyer, and she also has a track record of auditing corporate management as Outside Audit & Supervisory Board Member. In view of her wealth of experience, Ms. KURODA was nominated as Alternate Outside Audit & Supervisory Board Member since she is deemed most appropriate for enhancing the corporate governance of the Company, including its legal affairs and compliance.

### The reason for determining that the nominee fulfills her duties as an Outside Audit & Supervisory Board Member

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Ms. KURODA Ai does not have experience dealing directly with corporate management by means other than serving as an Outside Officer, but it is believed that her professional knowledge and experience as a lawyer and adequate insights into guiding corporate management will enable her to fulfill the duties of an Outside Audit & Supervisory Board Member.

### Independence as Outside Director of the Board nominee

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The Company does not do business with the law firm to which Ms. KURODA Ai belongs. The Company has no business relationship with Kamigumi Co., Ltd., where she currently serves as Outside Audit & Supervisory Board Member. Therefore, there are no special conflicts of interest between the said companies and the Company that would affect her independence. Furthermore, Ms. KURODA fulfills the “Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members” established by the Company, which are included as Reference on page 21.

In the event that Ms. KURODA is appointed as an Outside Audit & Supervisory Board Member, the Company will designate her as an independent officer pursuant to the provisions of the Tokyo Stock Exchange and notify the institution of her appointment.

### Limited liability agreement with the Outside Director of the Board nominee

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In the event that Ms. KURODA Ai is appointed and takes office, the Company will conclude a limited liability agreement with Ms. KURODA that sets out her liability for failure to perform her duties in the amount prescribed by laws and ordinances, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.

Note: Ms. KURODA Ai is a nominee for Alternate Outside Audit & Supervisory Board Member. There are no special conflicts of interest between her and the Company.

## <Matters for Judging the Second Item to Fourth Item of the Proposal>

### 1. Composition and expertise of the members of the Board of Directors and the Audit & Supervisory Board in the event that the Second and Third Items of the Proposal are approved

The expertise we consider necessary to carry out the Company's management and the specialization we expect from individual members of the Board of Directors and the Audit & Supervisory Board are as follows.

	Name	Attribute	Corporate management	Sales, Marketing	Finance & accounting	Global	R&D, SCM	Human resources, Human resource development	Legal affairs, Risk Management	ESG	IT Digital
Director	MORI Kunishi	Internal Male	●	●						●	
	TAKAHARA Shigeki	Internal Male	●		●	●			●	●	●
	TERAOKA Naoto	Internal Male	●	●							
	NISHIBAYASHI Hitoshi	Internal Male	●	●		●					
	KAJIMA Junichi	Internal Male	●			●	●				
	YOSHIKAWA Keiji	Independent, Outside Male	●	●		●	●			●	
	OMORI Shinichiro	Independent, Outside Male	●			●			●	●	●
	ANDO Tomoko	Independent, Outside Female	●	●				●		●	
	John P. Durkin	Independent, Outside Foreign Male	●		●	●					●
Audit & Supervisory Board Member	YOSHIDA Kazuhiro	Internal Male	●	●				●	●		
	HASEBE Hideshi	Internal Male			●						
	YAMAMOTO Tokuo	Independent, Outside Male			●	●			●	●	
	NAKAI Hiroe	Independent, Outside Female							●		

## 2. Directors' and Officers' Liability Insurance (D&O)

The Company has entered into a Directors' and Officers' Liability Insurance agreement with an insurance company for Directors of the Board, Audit & Supervisory Board Members and Executive Officers of the Company, as well as Directors of the Board and Audit & Supervisory Board Members of major consolidated subsidiaries, as the insured pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The insurance policy is designed to cover damages that may arise due to the said insured assuming responsibility for his/her duties or receiving claims related to the pursuit of such responsibility. In the event that the candidates for the Second Item to the Fourth Item of the Proposal are appointed, they will be included in the insured of the insurance policy. The Company also plans to update at the time of renewal with the same content.

## 3. Approach to Cross-shareholdings and Reduction Status

In the Growth Strategy "Good to Great" announced in November 2020, the Company has set "Generating Funds for Investment in Growth by Reducing Total Assets" as a part of strengthening infrastructure to support the implementation of the strategy. As one of its measures, the Company is promoting the reduction of cross-shareholdings while examining the economics of such holdings, and the current status as of the end of the current fiscal year is as follows:

	As of March 31, 2023		As of March 31, 2022	
	Number of issues	The carrying amount on the balance sheets (millions of yen)	Number of issues	The carrying amount on the balance sheets (millions of yen)
Unlisted shares	40	2,318	43	2,399
Shares other than unlisted shares	52	49,197	56	58,750

### <Reduction of Cross-shareholdings of the 159th Fiscal Term (Sales amount)>

	Number of issues	Sales amount (millions of yen)
Unlisted shares	3	1,104
Shares other than unlisted shares	6	4,068

\* Please note that the Company announced a timely disclosure concerning sale of cross-held shares to be implemented in and after April 2023 as stated in the press release "Notice Concerning Estimated Extraordinary Income Resulting from Sale of Investment Securities" dated April 28, 2023. For details, please refer to the following website:

<https://www.kansai.co.jp/ir/news/>

#### 4. Standards concerning the Independence of Outside Directors of the Board and Outside Audit & Supervisory Board Members

Article 1. These regulations set out the standards concerning independence for appointing Outside Directors of the Board and Outside Audit & Supervisory Board Members (hereinafter, collectively, “Outside Officers”) at the Company.

Article 2. Outside Officers of the Company must not fall under any of the following descriptions:

- (1) A director of the board (excluding Outside Directors of the Board of the Company or its consolidated subsidiaries), executive director of the board, audit & supervisory board member (excluding Outside Audit & Supervisory Board Members of the Company or its consolidated subsidiaries), executive officer, accounting corporate advisor (in the case where the said accounting corporate advisor is a corporation, including corporate employees required to perform work for the corporation), manager or other employee of the Company or its consolidated subsidiary;
- (2) An individual for whom the Company or its consolidated subsidiary is a major business partner or who serves as an executive at an entity for which the Company is a major business partner;
- (3) An individual who is a major business partner of the Company or its consolidated subsidiary or who serves as an executive at an entity that is a major business partner of the Company;
- (4) A major shareholder of the Company (in the case where the said major shareholder is a corporation, an individual who serves as an executive at the said corporation);
- (5) An individual who receives a large amount of donations from the Company or its consolidated subsidiary (in the case where the said individual who receives a large amount of donations is a corporation, an individual who serves as an executive at the said corporation);
- (6) A consultant, accounting expert or law expert who receives a large amount of cash or other assets from the Company or its consolidated subsidiary in addition to the executive compensation (in the case where the individual who receives the said assets is an entity, such as a corporation, a union, an individual who belongs to the said entity);
- (7) An individual to whom any of the items numbered (1) to (5) above has applied in the past;
- (8) An individual to whom item (6) above has applied within the last three years; or
- (9) A relative within the second degree of kinship or spouse of an individual described in any of the items numbered (1) to (8) above (applies only to important individuals)

Article 3. Outside Officers of the Company shall not be subject to any circumstances in addition to those stipulated in the previous Article that might potentially cause a substantial conflict of interest with general shareholders of the Company.

Article 4. Outside Officers of the Company shall endeavor to maintain their independence as prescribed in these regulations. Outside Officers shall notify the Company immediately if these regulations have been violated and there is a risk that they no longer qualify as independent.

Notes:

Article 1. The contents of these standards are pursuant to the Companies Act and the Enforcement Rules for Securities Listing Regulations of the Tokyo Stock Exchange.

Article 2.

- (2) “Individual for whom the Company or its consolidated subsidiary is a major business partner” denotes a business partner whose sales as a consolidated group to the Company’s consolidated group exceed 2% of the consolidated net sales of the business partner for the most recent fiscal year.
- (3) “Major business partner” denotes a business partner for whom sales of the Company’s consolidated group to the relevant business partner’s consolidated group exceed 2% of the Company’s consolidated sales for the most recent fiscal year.
- (4) “Major shareholder” denotes an individual who directly or indirectly owns 10% or more of the total voting rights.
- (5) “Large amount” denotes the receiving of assets that exceed the larger of ¥10 million or 2% of sales of the individual for the most recent fiscal year.
- (6) “Large amount” denotes the receiving of assets that exceed the larger of ¥10 million or 2% of sales of the individual for the most recent fiscal year.
- (9) “Important” denotes the officer class or equivalent of each business partner.