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(Stock Exchange Code: 6383)
June 10, 2021

To Shareholders with Voting Rights:

Hiroshi Geshiro
President and CEO
Daifuku Co., Ltd.
3-2-11 Mitejima, Nishiyodogawa-ku
Osaka, Japan

**NOTICE OF
THE 105TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are hereby notified that the 105th Ordinary General Meeting of Shareholders of Daifuku Co., Ltd. (the "Company") will be held for the purposes described below.

To prevent the spread of the novel coronavirus (COVID-19), we recommend that you refrain from attending the meeting in person and exercise your voting rights in advance in writing or via the Internet, etc. For exercising such voting rights, please review the attached Reference Documents for the General Meeting of Shareholders and, following the guidance below, exercise your voting rights no later than 5 p.m. on Thursday, June 24, 2021, Japan time. A live stream via the Internet will also be available on the day of the meeting.

- 1. Date and Time:** Friday, June 25, 2021, at 10 a.m. Japan time
- 2. Place:** The Company's headquarters, 3-2-11 Mitejima, Nishiyodogawa-ku, Osaka, Japan

3. Meeting Agenda

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements for the Company's 105th Fiscal Year (April 1, 2020 – March 31, 2021) and the results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-Consolidated Financial Statements for the Company's 105th Fiscal Year (April 1, 2020 – March 31, 2021)

Proposals to be resolved:

Election of Nine (9) Directors

Other Matters Regarding This Notice of Convocation

Pursuant to the relevant laws and regulations and the provision of Article 16 of the Articles of Incorporation, "Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements" and "Non-consolidated Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements" are disclosed on the Company's website (www.daifuku.com/jp/ir/stock/shareholders) and are not included in the attached documents that concern the matters to be reported.

Should any amendments occur to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and/or the Non-consolidated Financial Statements by the day before the Meeting's date, the amended documents will be posted on the Company's website (www.daifuku.com/jp).

Guidance on the Exercise of Voting Rights

- **Attending the Meeting**
When attending the Meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. To save paper resources, you are kindly requested to bring this Notice. Please come by 10 a.m. on Friday, June 25, 2021, Japan time.
- **Exercise of voting rights in writing**
Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it by mail so that it arrives no later than 5 p.m. on Thursday, June 24, 2021, Japan time.
- **Exercise of voting rights via the Internet, etc.**
If you choose to exercise your voting rights via the Internet, etc., please exercise your voting rights no later than 5 p.m. on Thursday, June 24, 2021, Japan time.

If you have exercised your voting rights both in writing and via the Internet, etc., only the vote via the Internet, etc. shall be deemed effective. If you have exercised your voting rights more than once via the Internet, etc., or both via PC and smartphone, only the last vote shall be deemed effective.

When connection fees charged by Internet service providers, telecommunication fees (call charges) charged by telecommunications carriers, etc. for using the Internet are required, they shall be borne by shareholders.

Proposals and References

Proposal: Election of Nine (9) Directors

The term of office of all eight (8) Directors will expire at the conclusion of the Meeting. The Company therefore proposes the election of nine (9) Directors.

Regarding the policy and process of electing nominees for Director, the Company submits the names of qualified persons who would be able to fulfill the duties and responsibilities to the Advisory Committee as those who could assume the fiduciary responsibility entrusted by the shareholders in view of their respective personality and insight, and the Board of Directors made final decision on such persons as nominees.

The nominees for Director are as follows. Five (5) Internal Directors contribute to achieving operating performance by leveraging their abundant experience in charge of their respective business fields. Four (4) Outside Directors contribute to improving management transparency and protecting stakeholders' interests based on their experience in other companies, as well as their valuable expertise in legal affairs and accounting.

Nominee No.	Name		Current positions and major duties in the Company	Attendance rate at meetings of the Board of Directors (number of attendance) for the fiscal year ended March 31, 2021
1	Hiroshi Geshiro	Reappointed	President and Chief Executive Officer (CEO)	100% (17/17 times)
2	Shuichi Honda	Reappointed	Director, Senior Managing Officer, President and CEO of Daifuku North America Holding Company	100% (17/17 times)
3	Seiji Sato	Reappointed	Director, Managing Officer, Cleanroom Global Business Head	100% (17/17 times)
4	Toshiaki Hayashi	Reappointed	Managing Officer, Automotive and Airport Global Business Head	100% (12/12 times)
5	Hiroshi Nobuta	Newly Appointed	Managing Officer, Intralogistics Global Business Head	-
6	Yoshiaki Ozawa	Reappointed Outside Director, Independent Officer	Outside Director	100% (17/17 times)
7	Mineo Sakai	Reappointed Outside Director, Independent Officer	Outside Director	100% (17/17 times)
8	Kaku Kato	Reappointed Outside Director, Independent Officer	Outside Director	100% (17/17 times)
9	Keiko Kaneko	Reappointed Outside Director	Outside Director	94% (16/17 times)

(Notes)

1. A total of 17 (12 ordinary and 5 extraordinary) Board of Directors meetings were held during the fiscal year ended March 31, 2021. In addition, Mr. Toshiaki Hayashi's attendance rate covers his attendance at ordinary and extraordinary Board of Directors meetings held after June 26, 2020, the day they assumed the office.
2. The candidates are currently Directors or Corporate Officers of the Company. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act that includes each candidate as the insured. Under the insurance contract, damages and legal fees, etc. incurred by the insured as a result of claims for damages arising from any acts (including inaction) committed in the insured's capacity as officer, etc. of a business enterprise shall be covered. The insurance premiums of the insured (each candidate) are fully borne by the Company. Each candidate will continue to be insured by the insurance contract if their reappointment or election is approved. The Company plans to renew the insurance contract with the same contents during the terms of office of each candidate.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
1	Hiroshi Geshiro (June 13, 1958) Reappointed	<p>April 1983 Joined Daifuku Machinery Works Co., Ltd. (now Daifuku Co., Ltd.)</p> <p>April 2012 Corporate Officer General Manager of the Sales Division, FA&DA Operations</p> <p>April 2014 Managing Officer General Manager of FA&DA Global Operations</p> <p>April 2015 General Manager of FA&DA Operations</p> <p>June 2015 Director, member of the board, Managing Officer</p> <p>April 2016 General Manager of the International Division, FA&DA Operations</p> <p>April 2018 President and CEO (to present)</p>	10,700
	<p>[Reason for nomination as Director]</p> <p>Mr. Hiroshi Geshiro has abundant experience and a good track record in the field of mainstay material handling systems for general manufacturers and distributors in Japan and overseas. The Company reappoints him as a nominee for Director based on its judgement that he is qualified for this position as he endeavors to realize the Group strategy toward further business growth and the improvement of operating performance and that he plays a key role in the decision making in the Group management.</p>		

(Note) There are no significant conflicts of interest between the nominee and the Company.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
2	Shuichi Honda (January 8, 1957) Reappointed	<p>April 1979 Joined The Dai-Ichi Kangyo Bank, Limited (now Mizuho Financial Group, Inc.)</p> <p>March 2006 Executive Officer and General Manager of Business Administration Division, Corporate Officer of Corporate Banking Unit, and General Manager for Human Resource Management Division, Mizuho Corporate Bank, Ltd.</p> <p>June 2011 Managing Director and Chief Strategy Officer Chief Risk Officer, Chief Operations Officer, Mizuho Corporate Bank, Ltd.</p> <p>April 2012 Joined Daifuku Co., Ltd. as a corporate adviser</p> <p>June 2013 Director, member of the board, Managing Officer COO of Corporate Affairs General Manager of the Corporate Social Responsibility Division General Manager of the Business Continuity Plan Promotion Division</p> <p>April 2014 Director, Senior Managing Officer (to present) General Manager of the Global Strategy Department</p> <p>April 2015 General Manager of the Corporate Business Development Division General Manager of ABH Global Operations</p> <p>April 2016 General Manager of ATec Global Operations</p> <p>October 2018 General Manager of ATec Operations</p> <p>April 2020 President and CEO of Daifuku North America Holding Company (to present)</p> <p>Significant concurrent positions President and CEO of Daifuku North America Holding Company</p>	10,800
<p>[Reason for nomination as Director]</p> <p>Mr. Shuichi Honda has been involved in the management of a megabank and has extensive international experience with a good track record. The Company reappoints him as a nominee for Director based on its judgement that he is qualified for this position as he has been in charge of establishing management strategies and Airport Technologies business, as well as serving as the chief executive of the Company's subsidiary in North America from April 2020, based on the aforesaid experience and achievements.</p>			

(Note) There are no significant conflicts of interest between the nominee and the Company.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
3	Seiji Sato (January 15, 1960) Reappointed	April 1983 Joined Daifuku Machinery Works Co., Ltd. (now Daifuku Co., Ltd.) April 2008 General Manager of the Semiconductor Division, eFA Operations June 2010 Director, member of the board June 2011 Managing Officer with an introduction of corporate officer system April 2015 General Manager of eFA Global Operations General Manager of eFA Operations June 2015 Director, Managing Officer (to present) April 2020 Cleanroom Global Business Head (to present) Cleanroom Division Manager (to present)	42,500
	[Reason for nomination as Director] Mr. Seiji Sato has abundant experience and a good track record in business management concerning the material handling systems for semiconductor and flat-panel display factories in Japan and overseas. The Company reappoints him as a nominee for Director based on its judgement that he is qualified for this position for the above reasons.		

(Note) There are no significant conflicts of interest between the nominee and the Company.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
4	Toshiaki Hayashi (November 17, 1958) Reappointed	April 1981 Joined Daifuku Machinery Works Co., Ltd. (now Daifuku Co., Ltd.)	3,700
		April 2013 Corporate Officer, General Manager of the Production Division, AFA Operations	
		April 2016 Chairman of Daifuku (China) Automation Co., Ltd.	
		April 2020 Managing Officer Automotive Global Business Head Automotive Division Manager (to present)	
		June 2020 Director, Managing Officer (to present)	
		April 2021 Automotive and Airport Global Business Head (to present)	
	[Reason for nomination as Director] Mr. Toshiaki Hayashi has abundant experience and a good track record in business management concerning the material handling systems for automobile factories at the Company and its overseas subsidiary. The Company appoints him as a nominee for Director based on its judgement that he is qualified for this position for the above reasons.		

(Note) There are no significant conflicts of interest between the nominee and the Company.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
5	Hiroshi Nobuta (March 1, 1960) Newly appointed	April 1982 Joined Daifuku Machinery Works Co., Ltd. (now Daifuku Co., Ltd.) April 2007 General Manager of the Engineering Department, Production Division, FA&DA Operations April 2012 Corporate Officer General Manager of the Project Division, FA&DA Operations April 2013 Corporate Officer Executive Vice President of Daifuku North America Holding Company April 2019 Managing Officer General Manager of the International Division, FA&DA Operations April 2020 Managing Officer Intralogistics Division Manager (to present) General Manager of the International Operations, Intralogistics Division April 2021 Managing Officer Intralogistics Global Business Head (to present)	7,600
	[Reason for nomination as Director] Mr. Hiroshi Nobuta has abundant experience and a good track record in the field of material handling systems for general manufacturers and distributors centered on engineering at the Company and its overseas subsidiary. The Company appoints him as a nominee for Director based on its judgement that he is qualified for this position for the above reasons.		

(Note) There are no significant conflicts of interest between the nominee and the Company.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
6	<p>Yoshiaki Ozawa (May 31, 1954) Reappointed</p> <p>Outside Director, Independent Officer</p> <p>Period of service as Outside Director: Seven (7) years</p>	<p>July 1978 Joined PricewaterhouseCoopers (PwC) Osaka Office</p> <p>October 1979 Joined Chuo Accounting Corporation Osaka Office</p> <p>August 1982 Registered as a Japanese certified public accountant (CPA)</p> <p>October 1985 Worked at Coopers & Lybrand New York Office</p> <p>July 1990 Registered as a U.S. CPA (New York)</p> <p>July 1995 Senior partner, Chuo Shinko Audit Corporation</p> <p>July 2005 National director overseeing Japanese clients in the U.S at the PwC New York Office</p> <p>July 2007 Joined PwC Aarata</p> <p>January 2008 Senior partner, PwC Aarata</p> <p>April 2009 Specially-appointed professor at Kansai University</p> <p>April 2012 Professor of Faculty of Business Administration at St. Andrew's University (to present)</p> <p>September 2012 Left PwC Aarata</p> <p>June 2014 Outside Director of Daifuku Co., Ltd. (to present)</p> <p>April 2018 Director of Career Center at St. Andrew's University (to present)</p> <p>June 2018 Outside Audit & Supervisory Board Member, Daido Life Insurance Company (to present)</p> <p>June 2019 Substitute Director (Audit and Supervisory Committee Member), Sakai Heavy Industries, Ltd. (to present)</p> <p>April 2020 Dean of Graduate School of Business Administration at St. Andrew's University (to present)</p> <p>Significant concurrent positions Professor of Faculty of Business Administration at St. Andrew's University Outside Audit & Supervisory Board Member, Daido Life Insurance Company</p>	—

		<p>[Reasons for nomination as Outside Director and expected roles to fulfil]</p> <p>Mr. Yoshiaki Ozawa has considerable knowledge in financial and accounting matters and teaches accounting as a university professor by leveraging his experience working abroad. At meetings of the Board of Directors, he offers professional advice and counsel to secure the transparency of management and enhance the supervision thereof based on his abundant experience and extensive knowledge, as well as to help us promote globalization of the Daifuku Group. In addition, he works to supervise the management team at Advisory Committee meetings, by mainly reflecting the evaluation of corporate performance and other results in the nomination and remuneration for officers from an independent and objective perspective. Although he has not been involved in corporate management in a way other than being an outside director or an outside member of audit & supervisory board, for the above reasons we believe that he is capable of properly executing the duties of Outside Director.</p> <p>[Independence]</p> <ol style="list-style-type: none"> 1. Mr. Yoshiaki Ozawa fully satisfies the requirements set forth in the "Independence standards for outside directors and outside members of the Audit & Supervisory Board" stipulated by the Company (page 21). He once served as a representative partner of PricewaterhouseCoopers Aarata—the Accounting Auditor of the Company, but since he resigned from said audit firm in September 2012, there have been no business transactions between him and the Company. 2. The Company designated him as an independent officer as stipulated by the rules of the Tokyo Stock Exchange and provided such notification thereto. If he is reappointed as originally proposed, he will remain an independent officer. 	
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(Notes) 1. There are no significant conflicts of interest between the nominee and the Company.

2. As Mr. Ozawa is currently an Outside Director of the Company, the Company has a limited liability agreement with him to limit the liability for damages to the amount set by law, pursuant to Article 27 of the Company's Articles of Incorporation. If he is reappointed, the Company will continue said agreement with him.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
7	<p>Mineo Sakai (May 13, 1951) Reappointed</p> <p>Outside Director, Independent Officer</p> <p>Period of service as Outside Director: Three (3) years</p>	<p>April 1974 Joined Kanematsu-Gosho, Ltd. (now Kanematsu Corporation)</p> <p>April 1997 General Manager of Finance Department, Kanematsu Corporation</p> <p>April 2004 Corporate Officer, General Manager of Finance and Accounting Department, Kanematsu Corporation</p> <p>June 2004 Director, member of the board of Kanematsu Electronics Ltd.</p> <p>June 2005 Managing Director, Kanematsu Electronics Ltd.</p> <p>April 2008 Executive Vice President, Kanematsu Electronics Ltd.</p> <p>April 2014 Chairman, Kanematsu Electronics Ltd.</p> <p>April 2016 Chairman and CEO, Kanematsu Electronics Ltd.</p> <p>April 2018 Director and Senior Adviser, Kanematsu Electronics Ltd.</p> <p>April 2018 Audit & Supervisory Board Member, KEL Technical Service Ltd.</p> <p>April 2018 Audit & Supervisory Board Member, Nippon Office Systems Ltd.</p> <p>April 2018 Audit & Supervisory Board Member, i-NOS Corporation</p> <p>June 2018 Outside Director of Daifuku Co., Ltd. (to present)</p> <p>June 2019 Adviser, Kanematsu Electronics Ltd. (to present)</p> <p>Significant concurrent positions Adviser, Kanematsu Electronics Ltd.</p>	—

		<p>[Reasons for nomination as Outside Director and expected roles to fulfil]</p> <p>Mr. Mineo Sakai has abundant experience and extensive knowledge in corporation management that he has cultivated through the positions as the Chairman and Chief Executive Officer (CEO) of an IT company. At meetings of the Board of Directors, he offers advice and counsel to secure the transparency of management and enhance the supervision thereof based on his abundant experience and extensive knowledge. In addition, he works to supervise the management team at Advisory Committee meetings, mainly reflecting the evaluation of corporate performance and other results in the nomination and remuneration for officers from an independent and objective perspective.</p> <p>[Independence]</p> <ol style="list-style-type: none"> 1. Mr. Mineo Sakai fully satisfies the requirements set forth in the “Independence standards for outside directors and outside members of the Audit & Supervisory Board” stipulated by the Company (page 21). Although there are transactions concerning information and communications between Kanematsu Electronics Ltd., where he belongs, and the Company, the amount of the transactions is less than 1% of the consolidated net sales of either company. Additionally, neither the Company nor Kanematsu Electronics Ltd. holds the stocks of its counterpart. Although Kanematsu Electronics Ltd. is a listed subsidiary of Kanematsu Corporation, transactions between the Company and Kanematsu Corporation are also insignificantly small, and all shares of Kanematsu Corporation held by the Company were sold in fiscal 2020. 2. The Company designated him as an independent officer as stipulated by the rules of the Tokyo Stock Exchange and provided such notification thereto. If he is reappointed as originally proposed, he will remain an independent officer. 	
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(Notes) 1. There are no significant conflicts of interest between the nominee and the Company.

2. As Mr. Sakai is currently an Outside Director of the Company, the Company has a limited liability agreement with him to limit the liability for damages to the amount set by law, pursuant to Article 27 of the Company’s Articles of Incorporation. If he is reappointed, the Company will continue said agreement with him.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
8	<p data-bbox="185 477 416 584">Kaku Kato (October 24, 1954) Reappointed</p> <p data-bbox="185 629 416 736">Outside Director, Independent Officer</p> <p data-bbox="185 781 416 920">Period of service as Outside Director: Two (2) years</p>	<p data-bbox="416 297 1299 342">April 1978 Joined Mitsui & Co., Ltd.</p> <p data-bbox="416 342 1299 387">April 2008 General Manager of Legal Division, Mitsui & Co., Ltd.</p> <p data-bbox="416 387 1299 454">April 2011 Associate Officer; General Manager of Legal Division, Mitsui & Co., Ltd.</p> <p data-bbox="416 454 1299 521">April 2012 Managing Officer; General Manager of Internal Auditing Division, Mitsui & Co., Ltd.</p> <p data-bbox="416 521 1299 678">April 2015 Executive Officer; Chief Compliance Officer (CCO) and in charge of Corporate Governance, Health, Safety and Environment (HSE), Mitsui Oil Exploration Co., Ltd.</p> <p data-bbox="416 678 1299 790">June 2016 Managing Executive Officer; CCO and in charge of Corporate Governance, Human Resources & General Affairs, HSE, Mitsui Oil Exploration Co., Ltd.</p> <p data-bbox="416 790 1299 835">June 2018 Adviser, Mitsui Oil Exploration Co., Ltd.</p> <p data-bbox="416 835 1299 880">June 2019 Outside Director of Daifuku Co., Ltd. (to present)</p> <p data-bbox="416 880 1299 947">April 2020 Visiting Professor of Faculty of Law and Politics at Rikkyo University (to present)</p> <p data-bbox="416 992 1299 1059">Significant concurrent positions Visiting Professor of Faculty of Law and Politics at Rikkyo University</p>	—

	<p>[Reasons for nomination as Outside Director and expected roles to fulfil]</p> <p>Mr. Kaku Kato conducts research on law at a university by leveraging his abundant experience and extensive knowledge in corporation management, particularly in the fields of safety and ESG (environment, society, governance) as well as compliance and internal control, cultivated through the positions as executive officer at a trading company and an energy-related company. At meetings of the Board of Directors, he offers advice and counsel to secure the transparency of management and enhance the supervision thereof from the viewpoint of corporate legal affairs. In addition, he works to supervise the management team at Advisory Committee meetings, mainly reflecting the evaluation of corporate performance and other results in the nomination and remuneration for officers from an independent and objective perspective.</p> <p>[Independence]</p> <ol style="list-style-type: none"> 1. Mr. Kaku Kato fully satisfies the requirements set forth in the "Independence standards for outside directors and outside members of the Audit & Supervisory Board" stipulated by the Company (page 21). There is no business transaction between Rikkyo University, where he belongs, and the Company. 2. The Company designated him as an independent officer as stipulated by the rules of the Tokyo Stock Exchange and provided such notification thereto. If he is reappointed as originally proposed, he will remain an independent officer. 	
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(Notes) 1. There are no significant conflicts of interest between the nominee and the Company.

2. As Mr. Kato is currently an Outside Director of the Company, the Company has a limited liability agreement with him to limit the liability for damages to the amount set by law, pursuant to Article 27 of the Company's Articles of Incorporation. If he is reappointed, the Company will continue said agreement with him.

No.	Name (Date of birth)	Career summary, positions and duties in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares held
9	<p>Keiko Kaneko (November 11, 1967) Reappointed</p> <p>Outside Director</p> <p>Period of service as Outside Director: Two (2) years</p>	<p>April 1991 Joined Mitsubishi Corporation</p> <p>April 1999 Registered as an attorney, belonging to Daini Tokyo Bar Association</p> <p>April 1999 Joined Anderson Mori & Tomotsune</p> <p>January 2007 Partner, Anderson Mori & Tomotsune (to present)</p> <p>April 2007 Visiting Associate Professor at Graduate School of Law of the University of Tokyo</p> <p>November 2012 External Statutory Auditor, Fast Retailing Co., Ltd. (to present)</p> <p>November 2012 Statutory Auditor, UNIQLO Co., Ltd. (to present)</p> <p>June 2013 External Statutory Auditor, The Asahi Shimbun Company (to present)</p> <p>June 2019 Outside Director of Daifuku Co., Ltd. (to present)</p> <p>Significant concurrent positions Partner, Anderson Mori & Tomotsune External Statutory Auditor, Fast Retailing Co., Ltd. Statutory Auditor, UNIQLO Co., Ltd. External Statutory Auditor, The Asahi Shimbun Company</p>	—

	<p>[Reasons for nomination as Outside Director and expected roles to fulfil]</p> <p>Ms. Keiko Kaneko has experienced working at a trading company and as an associate professor of a graduate school. As a lawyer, she is actively involved in areas such as business acquisition, transactions and management of business enterprises, and regulations in the field of natural resources. At meetings of the Board of Directors, she offers advice and counsel to secure the transparency of management and enhance the supervision thereof from her professional viewpoint. In addition, she works to supervise the management team at Advisory Committee meetings, mainly reflecting the evaluation of corporate performance and other results in the nomination and remuneration for officers from an independent and objective perspective.</p> <p>[Independence]</p> <ol style="list-style-type: none"> 1. Ms. Keiko Kaneko fully satisfies the requirements set forth in the "Independence standards for outside directors and outside members of the Audit & Supervisory Board" stipulated by the Company (page 21). Although the Company may outsource individual cases to Anderson Mori & Tomotsune where she belongs, there is no advisory contract and the amount of the transactions is less than 1% of the consolidated net sales of either company. 2. In line with the policy of Anderson Mori & Tomotsune, the Company will not designate her as an independent officer as stipulated by the rules of the Tokyo Stock Exchange. However, the Company determined that her independence from the Company is sufficiently ensured. 	
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(Notes) 1. There are no significant conflicts of interest between the nominee and the Company.

2. As Ms. Kaneko is currently an Outside Director of the Company, the Company has a limited liability agreement with her to limit the liability for damages to the amount set by law, pursuant to Article 27 of the Company's Articles of Incorporation. If she is reappointed, the Company will continue said agreement with her.

[References]

Correspondence to the Corporate Governance Code (the Management Team)

The Daifuku Group has established "Daifuku Corporate Governance Guidelines." The full text of these Guidelines is available on our website.

www.daifuku.com/ir/policy/governance/guideline (Revised on March 23, 2021)

The purpose of these Guidelines is for the Group to strive to improve its corporate governance so as to ensure its sustainable growth and create corporate value for the medium to long terms, and to continue to improve the effectiveness of its corporate governance in keeping with the spirit of the Company Creed and Management Philosophy.

The main content concerning the management team (directors and corporate officers) are as follows.

<Roles of the Advisory Committee>

- An optional Advisory Committee has been established to strengthen the independence, objectivity and accountability of the Board of Directors' functions on the matters of the nomination or removal and the remuneration of the management team. The Advisory Committee is comprised of representative directors and outside directors and meets at least three times a year.
 - (Note 1) The Advisory Committee is chaired by one of the outside directors.
 - (Note 2) A total of six (6) Advisory Committee meetings were held during the fiscal year ended March 31, 2021.
- The remuneration for the management team will be resolved by the Board of Directors after the Advisory Committee has examined it based on remuneration evaluation criteria and made a report.
- The Advisory Committee shall examine matters such as the proposal of a succession plan, the identification of the qualities required for a successor, and the selection and evaluation of successor candidates, and report its findings to the Board of Directors.

< Remuneration of management team members >

- The remuneration for the management team members shall consist of base salary, bonus (a short-term performance-linked compensation), and a performance-linked equity compensation.
- The remuneration for the management team will be resolved by the Board of Directors after the Advisory Committee has examined it based on remuneration evaluation criteria and made a report.

< Appointment, removal and development of senior management members >

- The Board of Directors shall spend sufficient time actively, continuously supervising the

development of candidates for CEO and other management team members, including the provision of training.

- The CEO shall be appointed by resolution of the Board of Directors following examination by the Advisory Committee based on objective criteria taking the qualities of candidates into consideration.
- If, for example, the incumbent CEO comes to lack the qualities of a CEO he or she possessed at the time of election, the CEO shall be removed by resolution of the Board of Directors following examination by the Advisory Committee based on objective criteria.

<Composition of Board of Directors>

- The Company will continuously examine the ratio of outside directors in light of future changes in the management environment.
- The Board of Directors shall continue to discuss the diversity in and size of the overall Board of Directors, including gender and international aspects, in consideration of changes in the business environment, the Group's management policies, management plans, among others.

Skill matrix of the Board of Directors after the conclusion of this ordinary general meeting of shareholders (planned)

(Note 3) If all the candidates listed in this notice of the ordinary general meeting of shareholders are elected as proposed, the diversity in the Board of Directors will be as shown in the following table. The age is at the nearest birthday as of the conclusion of the general meeting of shareholders.

	Independent (outside officers)	Professional background		Expertise	Overseas assign- ment	Gender	Age
		Corporate management	Other than corporate management				
Hiroshi Geshiro		The Group		Knowledge about the Company's business	✓	Male	63
Shuichi Honda		Bank, the Group		Knowledge about the Company's business	✓	Male	64
Seiji Sato		The Group		Knowledge about the Company's business	✓	Male	61
Toshiaki Hayashi		The Group		Knowledge about the Company's business	✓	Male	62
Hiroshi Nobuta		The Group		Knowledge about the Company's business	✓	Male	61
Yoshiaki Ozawa	✓		Accounting firm, university, outside member of the Audit & Supervisory Board and Substitute Director (Audit & Supervisory Committee Member) of enterprises	Finance/ Accounting	✓	Male	67
Mineo Sakai	✓	Trading company, IT company		Finance/ Accounting	✓	Male	70
Kaku Kato	✓	Trading company, energy development company	University	Legal	✓	Male	66
Keiko Kaneko	✓		Trading company, university, law firm, statutory auditor and external statutory auditor of enterprises	Legal		Female	53

(Note 4) Regarding the evaluation of the Board of Directors' effectiveness, the Company has a basic policy of striving for improvements by continuously implementing the PDCA cycle. The Company conducts questionnaire surveys concerning the Board of Directors' effectiveness, using an external organization, taking in the perspective of comparison with other companies.

[References]

Independence standards for outside directors and outside members of the Audit & Supervisory Board

At Daifuku, outside directors and outside members of the Audit & Supervisory Board are considered independent if they do not fall under any of Articles 1 to 5 below.

Article 1

A person who falls or fell under any of the following in the last three years:

- 1) A person who executes business of a company, etc. that is a key customer of Daifuku or whose key business partner is Daifuku (*1)
- 2) A lawyer who belongs to a law firm that has concluded an advisory contract with Daifuku or its subsidiary and who was actually in charge of legal business for Daifuku, a certified public accountant (or a certified tax accountant) who was an accounting auditor or accounting adviser of Daifuku or its subsidiary, or an employee, partner, or staff member who belongs to an auditing firm (or tax accountant corporation) that is an accounting auditor or accounting adviser of Daifuku or its subsidiary and who was actually in charge of the auditing service for Daifuku
- 3) A lawyer, certified public accountant, or certified tax accountant, if not applicable to the above item 2, who provides specialized services, etc. to Daifuku by receiving a large amount (*2) of money or assets other than remuneration for an officer, directly from the company
- 4) An officer or employee of a company, etc. that is a major shareholder (*3) of Daifuku

Article 2

An officer or employee of Daifuku's subsidiary or a person who held such a position during the ten years before being appointed as such status

Article 3

An executive board member or any other person who executes business of an organization that receives donations or grants exceeding a certain amount (*4) from Daifuku (such as a public interest incorporated foundation, a public interest incorporated association, or a non-profit corporation)

Article 4

The spouse or a relative within the second degree of relationship of a person who falls under any of Articles 1 to 3 above, or a relative living together with such a person

Article 5

A person who does not fall under any of Articles 1 to 4 above, but who is deemed likely to have a virtual conflict of interest with Daifuku due to their relationship with the company

(Notes)

- *1: A customer from whom Daifuku received payment of at least 2% of the amount of Daifuku's annual consolidated net sales in the most recent fiscal year, or a business partner who received payment from Daifuku of at least 2% of the amount of its annual consolidated net sales in the most recent fiscal year
- *2: The annual average for the last three years of 10 million yen or more
- *3: A shareholder with 10% or more of the voting rights
- *4: The annual average for the last three years of 10 million yen or more, or 30% of the average total annual expenditure of the organization, whichever is larger