

Medium-term Management Plan

With You toward 2024

T&K TOKA CO., LTD.

May 24, 2022

Agenda

- 01 Sustainability Vision (2030)
- 02 Review of the Previous Medium-term Management Plan "With You toward 2020"
- 03 Medium-term Management Plan "With You toward 2024"



Sustainability Vision (2030)

Corporate Slogan

Technology and Kindness

Corporate Policy

Contribute to community by
providing
good products
through our innovative
technologies

2030 Vision

Enhancing our position as a
trusted global corporate
through shared individual and
organizational development

Management Principle

Think and Act from the customer
perspective to create value

Support employees committing to self
growth and assess their
achievements fairly

Contribute to social good through
business activities

T&K TOKA was founded in 1947 as a printing ink manufacturer and developed our product groups from printing ink to fine dispersing products and functional resins. As expressed in the corporate slogan, "Technology & Kindness," we have valued "Kindness" to "providing high-value products with high usability" since our foundation. Even after 75 years, it is still embodied in our DNA.

Our devotion will remain the same for the next 100 years, and we are strongly committed to maintaining it.

The other aspect is "Technology." We continue to be highly recognized but we believe we need to transform even further to adapt to the rapidly changing times.

Through maintaining our stance of taking on challenges, we strive to propose products with even more added value.

Printing Ink + Fine Dispersion Products/Functional Resin Manufacturer

Printing ink

- For packaging printing
- For publication/commercial printing
- For other printing purposes

UV ink/vegetable oil ink
Other ink



Specialty products

- Fine dispersion products
For color filters for FPD
For optical fiber
- Functional resin
Epoxy hardener, etc.

Top share of UV ink for printing in Japan

In Asian countries, our company's product brand, "UV 161," has become synonymous with UV ink

It has been adopted by multiple display brands

Top share of UV ink for optical fiber in Japan

It has been adopted widely by industries, such as civil engineering/construction, electronic materials, automobiles, and aerospace

Organizational Strategy

Establish a long-term sustainability to improve our economic strength and to promote environmental and social value

Clarify business domains and allocate management resources appropriately to create shared values unique to our group
Maintain and Strengthen our environmental and social values as a foundation essential for the sustainable growth of the business

Principle

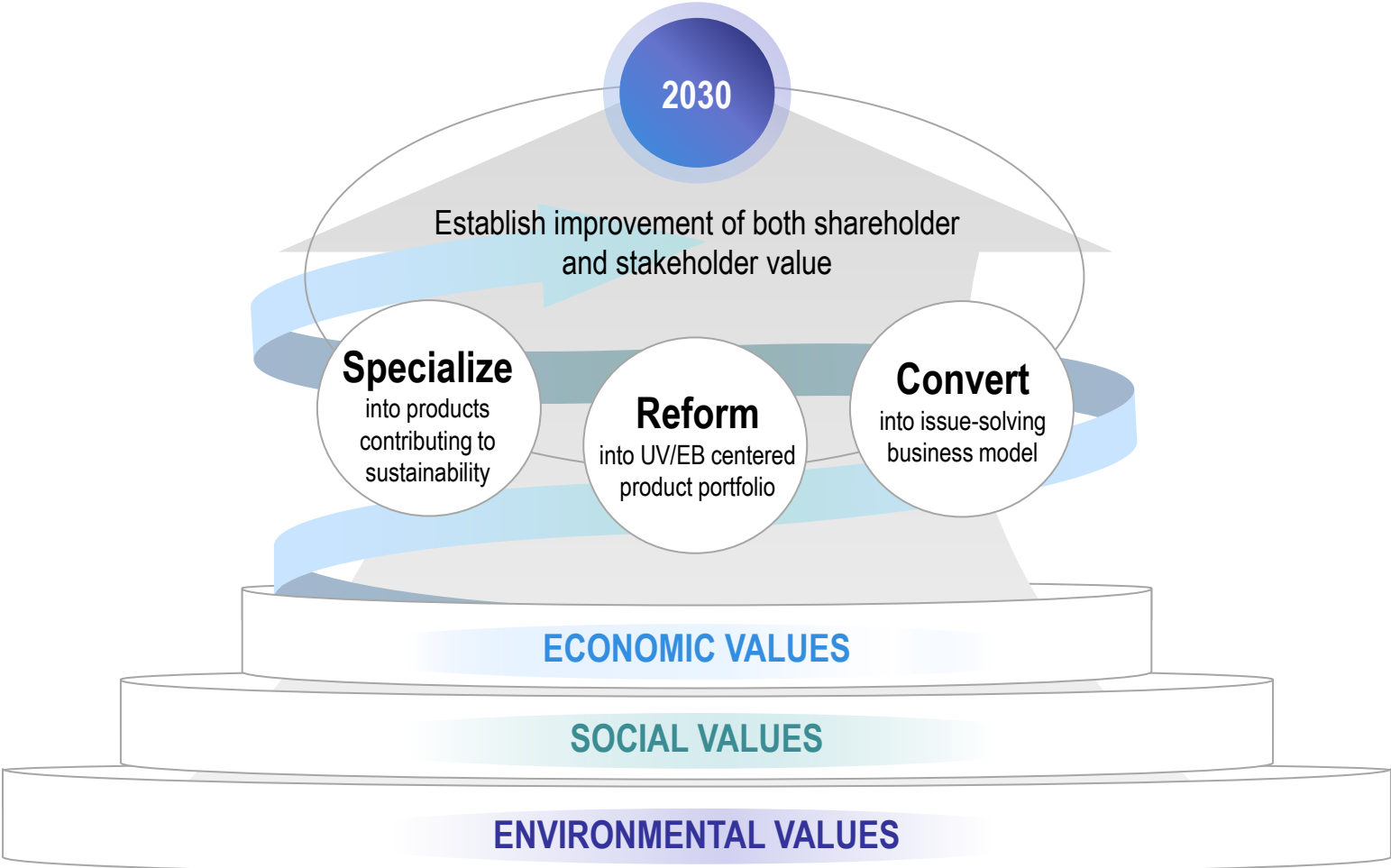
Achieve exceptional customer satisfaction to provide unique value with an appropriate price

Restructure our business processes to the highest levels of quality and efficient productivity by clarifying the roles of the organization and its individuals

Be an organization that grows together with the individual in order to become a global company that is trusted in society

We aim to achieve the numerical targets for 2030 through co-creation with stakeholders.

Accurately grasp structural changes in society and the industries we are involved in. Promote product development so that it contributes to the realization of a sustainable society and a continued shift to a problem solving business model, while reforming our product portfolio to achieve sustainable growth for society and for our company.



Develop as a solution business by focusing on core technology and strengthening our collaboration with external partners

The 2nd Medium-term Management Plan Period

(Final year: Fiscal year ending March 31st, 2025)

"Foundational development to promote the recovery to profitability and qualitative growth"
 Initiatives to achieve sustainability of the environment/ society and customers/company

Build a foundation to strengthen existing products and develop next-generation products to fully expand abroad and expand into new fields

- Withdrawal/implement rationalization measures for non-focal point product groups
- Build a value provision model that combines "products + services"
- Expand eco-friendly products (energy saving/biomass, etc.)
- Restructure and implement business strategies in Japan and abroad (by region)
- Accelerate joint research and development with external partners
- Implementing human resource development/diversity promotion measures
- Enhance shareholder returns

The 3rd Medium-term Management Plan Period

(Final year: Fiscal year ending March 31st, 2028)

"Accelerate the conversion into an issue-solving business model"
 Providing shared values to society through solution generation

Incorporate major environmental changes and expand the EB curable ink that developed UV technology into the flexible packaging printing field

- Concentrate resources into product groups to be focused on
- Evolve the value provision model that combines "products + services"
- Expand into the flexible packaging printing field using EB curable ink
- Provide and market UV ink products which are exceptional in terms of environmental and product safety
- Improve digital literacy
- Transition to a next-generation production system that is both competitive and safe
- Promote our philosophy/policy within the group and reform the corporate culture

The 4th Medium-term Management Plan Period

(Final year: Fiscal year ending March 31st, 2031)

"Business growth with a tangible sense of contributing to society"
 Actualizing the 2030 Vision and improving stakeholder satisfaction

Promote and maintain a complete shift to extremely safe UV ink products, and conversion to EB curable inks for the flexible packaging print market

- Net sales of flexible packaging EB curable ink: over 10 billion yen
- Consolidated operating profit: over 4.8 billion yen
- Consolidated operating profit rate: over 8%
- Pursue product portfolio reform
- Corporate reform through DX (digital transformation)
- Improved organizational functions through better engagement
- Initiatives for 2050 carbon neutrality

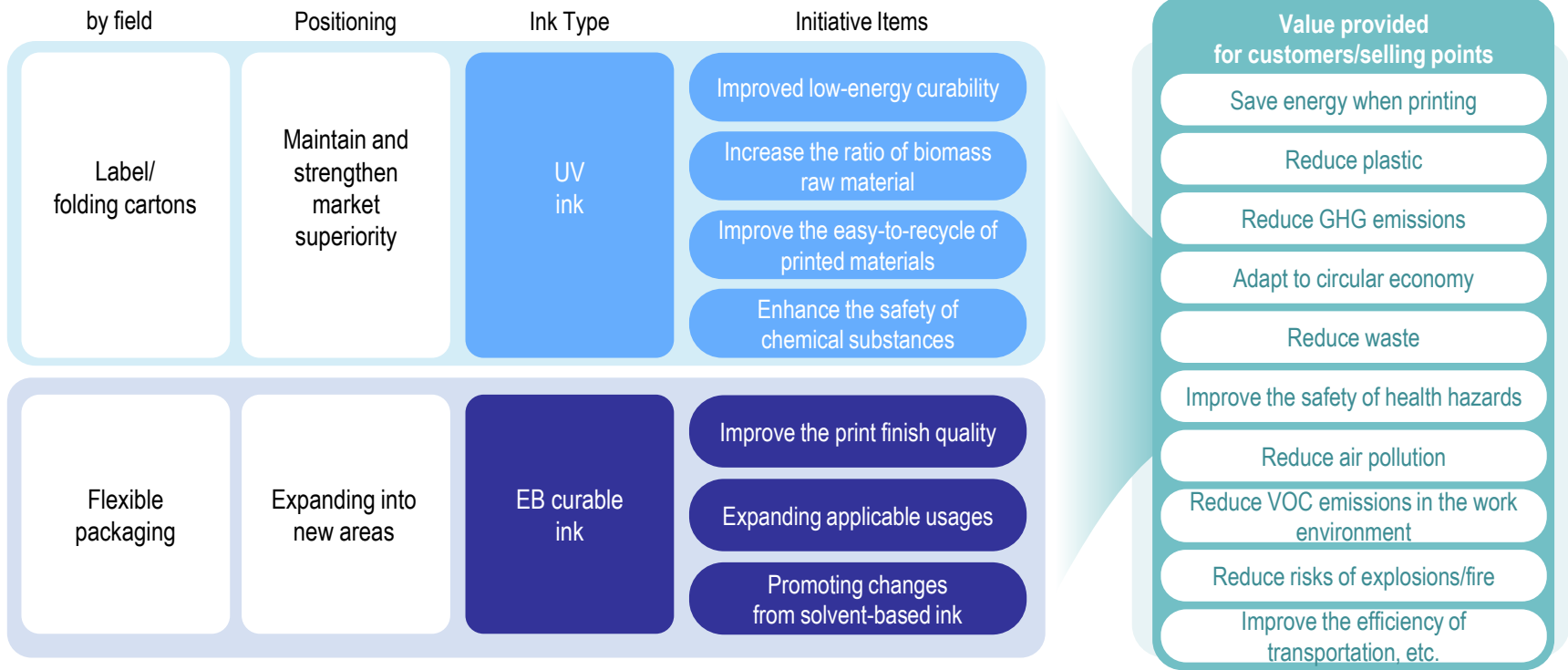
"Improve profitability and achieve business growth by concentrating on UV/EB curable ink," and focus on the packaging printing field

2030

By 2030, we aim to promote the resolution of social concerns along with corporate growth by switching from conventional "Solvent Based" inks to "EB Curable" ink products for the flexible packaging print market. We recognize the continued need for improvement in terms of environmental concerns and product safety on a global scale

The direction of ink development for the packaging printing industry and the provision of value

Packaging Printing
detailed classification
by field



Sustainability Vision

Our "Value Generation Process"

In addition to meeting the needs of the print industry with inks that excel in environmental performance, we will contribute to the creation of a sustainable society through management based on SDGs (Sustainable Development Goals), such as creating a rewarding workplace and coexisting with local communities.

Social Issues

Global Social Issues

- Progression of global warming
- Oceanic plastic pollution
- Massive consumption and depletion of resources
- Proper management of chemical substances
- Increased country risks/uncertainties

Customer issues

- Adapting to changes in the external environment
- Reducing life-cycle costs
- Reduction of safety/productivity due to insufficient working population

Our Strengths

World leading UV/curing technology and dispersion technology

Partnerships with key global suppliers developed over a long period

Firm business foundation and brand recognition in high-growth Asian markets by early entry

Corporate culture of "Kindness" and close relationship with the customers

Shareholder composition with a long-term perspective

Medium-Term Management Policy

Our Ideal State

- A top-tier global company in the niche field of UV ink
- An industry pioneer determined to work on developing new technology
- Compliance to Continued Listing Criteria of Prime Market in Tokyo Stock Exchange

Growth Strategy

- Focus on UV ink and specialty products
- Build a value provision model that combines "products + services"
- Expand the lineup of eco-friendly products (energy saving/biomass, etc.)
- Restructure and implement business strategies in Japan and abroad (by region)
- Generate added value by developing ink for packages that can contribute to next-generation sustainability
- Appropriate reflection of raw material price fluctuations in selling price

Materiality that leads to value generation

- Establishing a new path for growth
- Converting from a business solving "customer issues in the 'field'" to a business solving "customer issues in the 'field + company-wide issues' and social issues"
- Reconstructing the product portfolio to have products with high profitability and growth
- Develop a business that adapts to reduction of GHG emissions/circular economy
- Early realization of investment effects

Materiality that is a foundation for business continuation

- Respecting human rights/promoting diversity
- Securing/developing/solidifying human resources
- Promotion of DX (digital transformation)
- CSR-based procurement
- Strengthening the supply chains
- Safe and secure quality assurance

2030 What We Strive to Be

Develop an issue-solving business by concentrating on core technology and strengthening the collaboration with external partners

Economic values

KPI	Numerical target
Operating profit rate	8.0%
ROE	8.0%
Dividend policy	Dividend payout ratio of 50% or more

Social values

- Provision of reliable products and services
- Achieving a high employee QOL
- Reduction of GHG emissions by 50% compared to 2013 (Scope 1, 2, 3)
- Contribute to actualizing a fair society

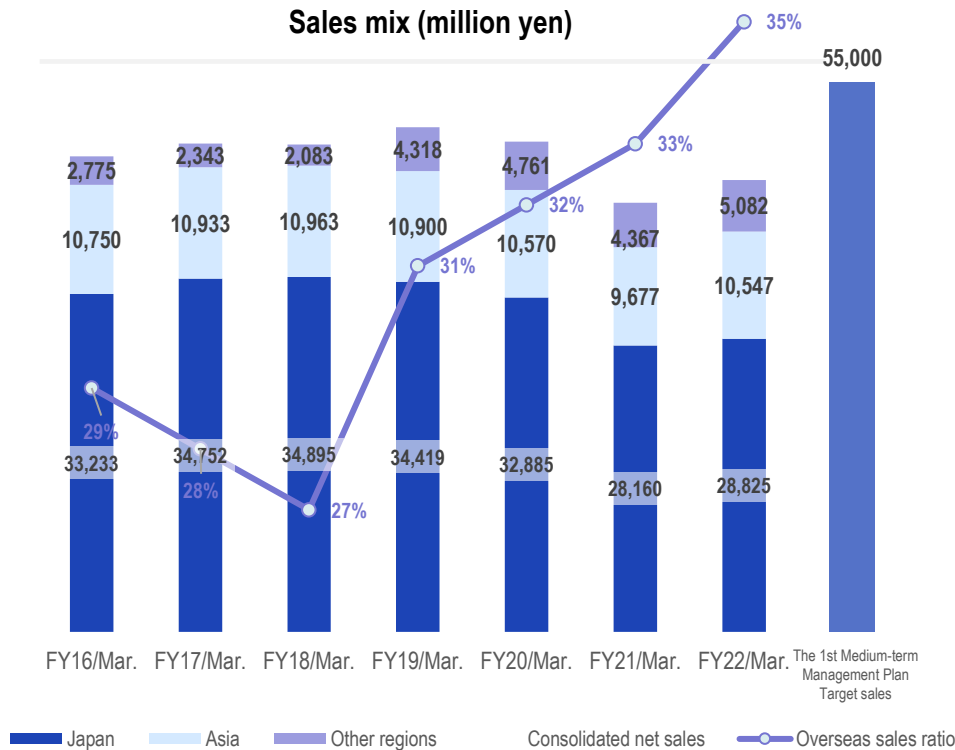
Review of the Previous Medium-term
Management Plan "With You toward 2020"

"With You toward 2020"

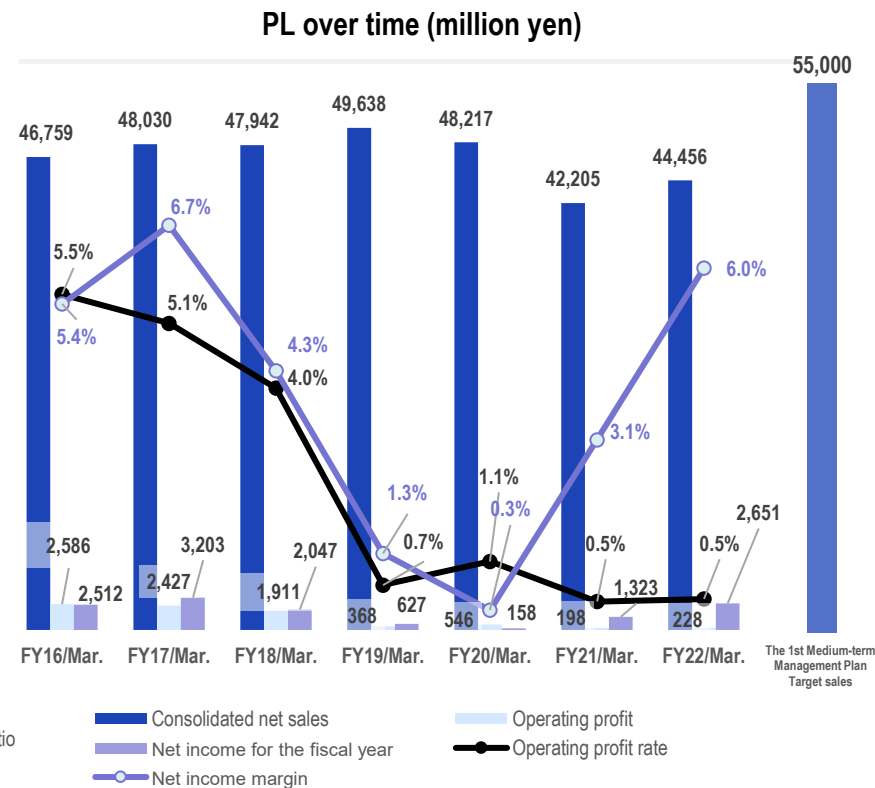
Business growth in North America proceeded favorably. However, the sales target was not met due to low performance of lithographic printing ink sales in Japan and Asia, as well as a slow response to the delayed development of strategic products

- COVID-19 accelerated digitalization and greatly reduced the volume of printed paper media. As a result, the impact of the reduction in the lithographic printing ink market size was more than expected.
- Operating profit was greatly reduced because of soaring prices of purchased raw materials triggered by more strict environmental regulations and an explosion that took place at a chemical factory in China.
- With regards to the Chinese investment project for the expansion of Fine dispersion products, it did not contribute to the business due to construction delays caused by COVID-19 and the long time it took to get permits

Sales mix (million yen)



PL over time (million yen)



The restriction/reduction of economic activities globally due to COVID-19 greatly decreased the demand for printing ink, and resulted in a large negative impact in achieving the medium-term management plan.

		Achievements	Challenges	Evaluation
Business strategy	Global expansion	Sales promotion of UV ink proceeded in North America and nearly doubled the sales in the region	<ul style="list-style-type: none"> ■ Introduction of products that match the requirements of each region ■ Restructuring strategy in Europe ■ Expedited launch of a new subsidiary in China dealing with fine dispersion products 	Limited
	Appeal of added value	In Japanese, European and American markets, evaluations regarding added value performance were better than competitors	<ul style="list-style-type: none"> ■ Making eco-friendly products highly functional/high performance ■ Quantifying the advantages of high value-added products and strengthening skills to make proposals to customers 	Not achieved
	Cost reduction/efficiency	Work efficiency was improved using IT. Five branches/warehouses were reorganized	<ul style="list-style-type: none"> ■ Dealing with the rise in purchasing price of raw materials ■ Total cost reduction ■ Improved effectiveness of remote sales activities 	Not achieved
Capital policy	Financial strategy	Secured the necessary level of commitment line for dealing with contingencies	<ul style="list-style-type: none"> ■ Maintain proper credit limit with correspondent banks ■ While adequate long-term loans were obtained, the investment returns have not yet been achieved 	Limited
	Shareholder returns	Achieved a dividend payout ratio of 30% (for FY21/Mar., a total payout rate of 79.6% was achieved)	<ul style="list-style-type: none"> ■ While the dividend payout ratio policy for FY21/Mar. was 30% or more, the figure was 25.7%. 	Limited
ESG	Corporate governance	Increased the ratio of outside directors to 50%	<ul style="list-style-type: none"> ■ Improve the diversity of the Board of Directors in terms of demography and skills ■ Deal with CG code principles for the Prime Market 	Achieved
	Environment/Society	Reduced CO2 emission by 18.0% (in Japan, compared to 2013), received an award as an "Excellent Business Employing Handicapped People" (2019)	<ul style="list-style-type: none"> ■ Promote GHG emission reduction as a group overall ■ Promote initiatives to respect human rights ■ Promote human resources development and diversity 	Achieved

Medium-term Management Plan
"With You toward 2024" Outline

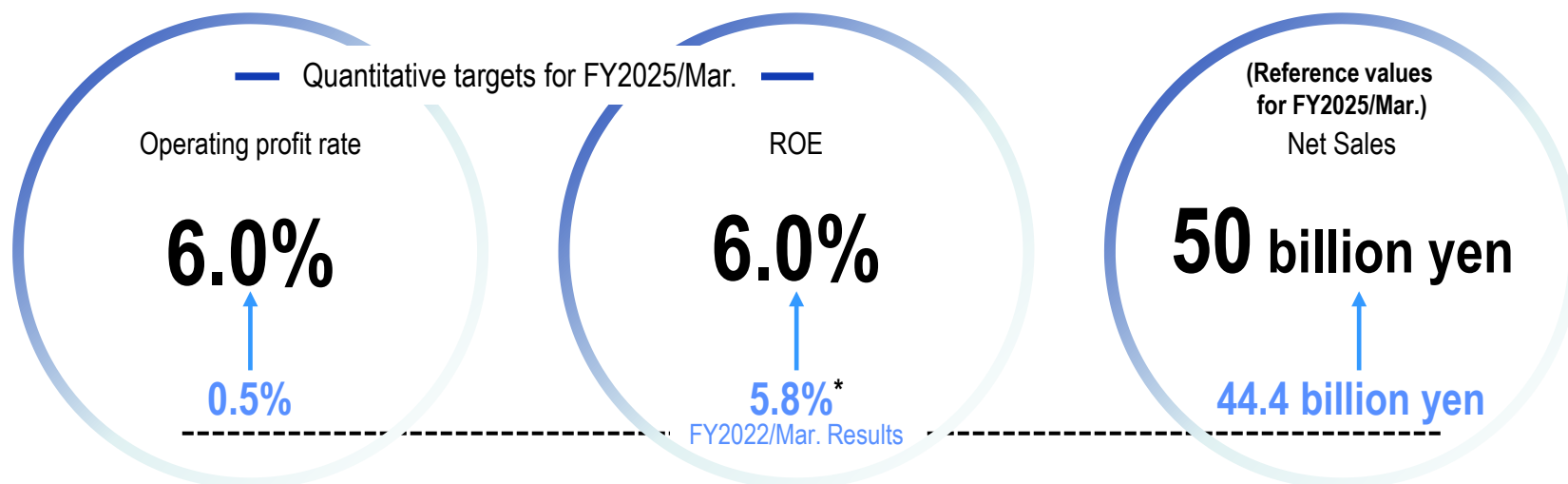
Issues Recognized by T&K TOKA and Measures

With the performance of the previous Medium-Term Management Plan in mind, and taking the restructuring of the Tokyo Stock Exchange as an opportunity, we will take on the challenge to aim to be a listed company with improved corporate and shareholder values worthy of the Prime Market, incorporate investor perspectives, and implement the below measures at an accelerated pace.

Challenges		
Financial/capital profitability	Business strategy	Governance Framework
<ul style="list-style-type: none"> • Returns on capital below the cost of capital (low ROE) • M&A Strategy (generating synergy with existing businesses) • Reduction of non-business assets with low equity 	<ul style="list-style-type: none"> • Increase in cost ratio and SG&A ratio • While the number of tangible fixed assets increased, the profitability was low(=investments are not leading to profits) • Decline in profits due to failure of M&A strategy in Europe 	<ul style="list-style-type: none"> • Reconsider the optimal set of skills to improve corporate values • Lack of incentives to improve corporate values • Strengthen supervision related to investments/M&A

Initiative measures

<ul style="list-style-type: none"> • Improved profitability through business strategy initiatives • Revise balance sheets 	<ul style="list-style-type: none"> • Changing to the growth policy, "from quantity to quality" • Focus the business on products contributing to sustainability • Restructure the expansion strategy of the overseas ink business 	<ul style="list-style-type: none"> • Revise the composition of the Board of Directors • Revise the performance-based/stock-based remuneration ratio and KPI • Maintain and strengthen investment discipline by the Investment Committee
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*Operating profit, Quantitative targets for FY2025/Mar. 3 billion yen
 FY2022/Mar. result: 200 million yen

*Net income for the fiscal year, Quantitative targets for FY2025/Mar. 3 billion yen
 FY2022/Mar. result: 2.6 billion yen

Investments

- Strategic investment: 1.5 billion yen
- Facility investment: 5 billion yen
- Research and Development investment: 1.5 billion yen

Shareholder returns

- Dividend payout ratio: 50% or more (FY2022/Mar. result: 34.0%)
- Buy back shares: Conduct it flexibly

*When excluding extraordinary income in Hong Kong and South Korea from gain on sale of real estate: 3.3%

Improve ROE, strengthen shareholder returns, gradually reduce capital costs



----- **Gradual reduction of capital costs**

Thorough risk management for overseas business activities
Capital policy considering the optimal capital structure
Active disclosure of ESG-related information

----- **Improve ROE**

Strengthen profitability
Improve capital efficiency

----- **Enhance shareholder returns**

Revise the performance based remuneration for directors

Increase performance based remuneration and stock-based remuneration for officer remuneration. As the KPI of the performance-based remuneration, in addition to current net income for the fiscal year, newly adopt indicators for the profitability of the main business such as operating profit rate, and Return on Equity (ROE) to strengthen remuneration structure from the shareholder perspective

Before revision

Breakdown of Officer Remuneration

- Fixed remuneration: 84%
- Performance based remuneration: 16% (when 100% target is achieved)
- Stock-based remuneration: 23% (when 100% target is achieved)

Performance based remuneration KPIs

- Consolidated net profit for the fiscal year, rate of target values achieved

After the revision (proposal)

Breakdown of Officer Remuneration

- Fixed remuneration: 81%
- Performance based remuneration: 19% (when 100% target is achieved)
- Stock-based remuneration: 26% (when 100% target is achieved)

Performance based remuneration KPIs

- Consolidated operating profit rate, rate of planned values achieved
- Consolidated net income for the fiscal year, rate of planned values achieved
- Return on Equity (ROE), rate of planned values achieved

Reason for the changes

The percentage of performance based and stock-based remuneration for officers were increased so that directors manage with the same perspective as the stakeholders, including shareholders. Also, we have determined that it is important to utilize the indicators used to evaluate management performance (mid-term management plan). We will adapt (1) consolidated operating profit ratio as the profitability of the core business, (2) consolidated net income of the group as a profit indicator to measure the performance of the constant business and (3) capital efficiency (ROE) which is also set as a quantitative target. Details were released on May 10th, 2022.

(1) Focus on improving profitability

Fiscal year ended March 31st, 2022

Previous medium-term management plan
With You toward 2020

Fiscal year ending March 31st, 2025

New medium-term management plan
With You toward 2024

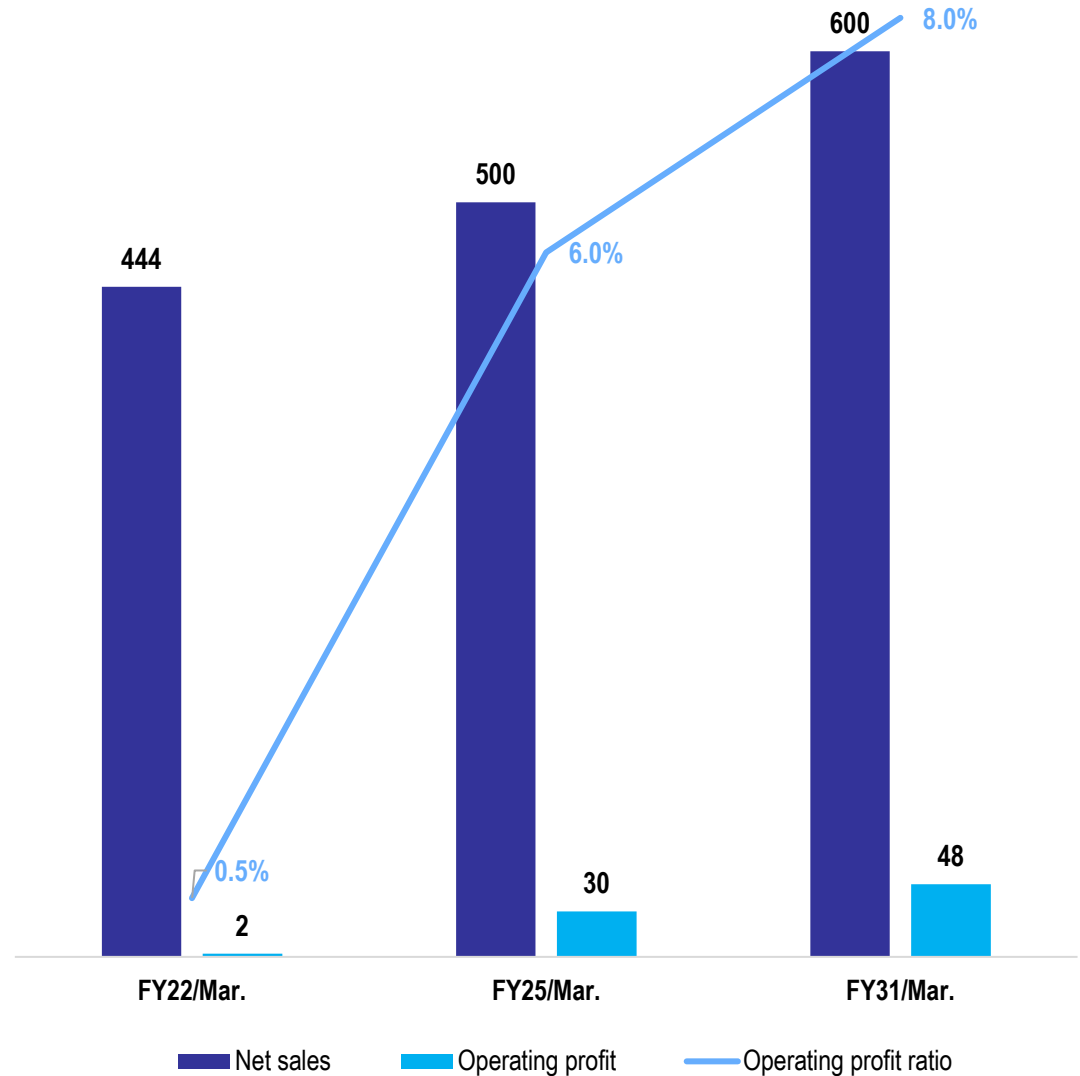
- Net Sales: over **50 billion** yen
- operating profit rate: over **6.0%**
- Steady improvements are targeted to achieve ROE of 7% in FY28/Mar. and ROE of 8% in FY31/Mar. Towards this goal, FY25/Mar. will promote management that focuses on capital profitability and BS management to achieve ROE of 6%.
- Reform product portfolio
- Invest management resources into growing areas
- Ensure collection of invested capital

Fiscal year ending March 31st, 2031

Pursuing the optimization
of the product portfolio

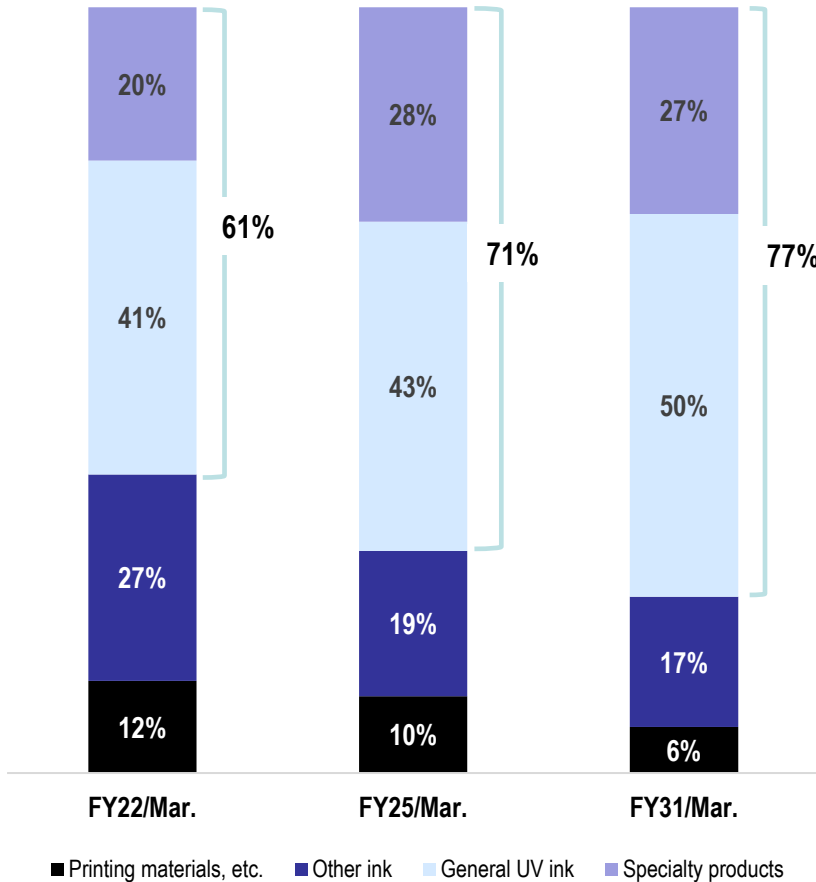
- Expand UV technology and expand into new areas / generate added value

Unit: 100 million yen



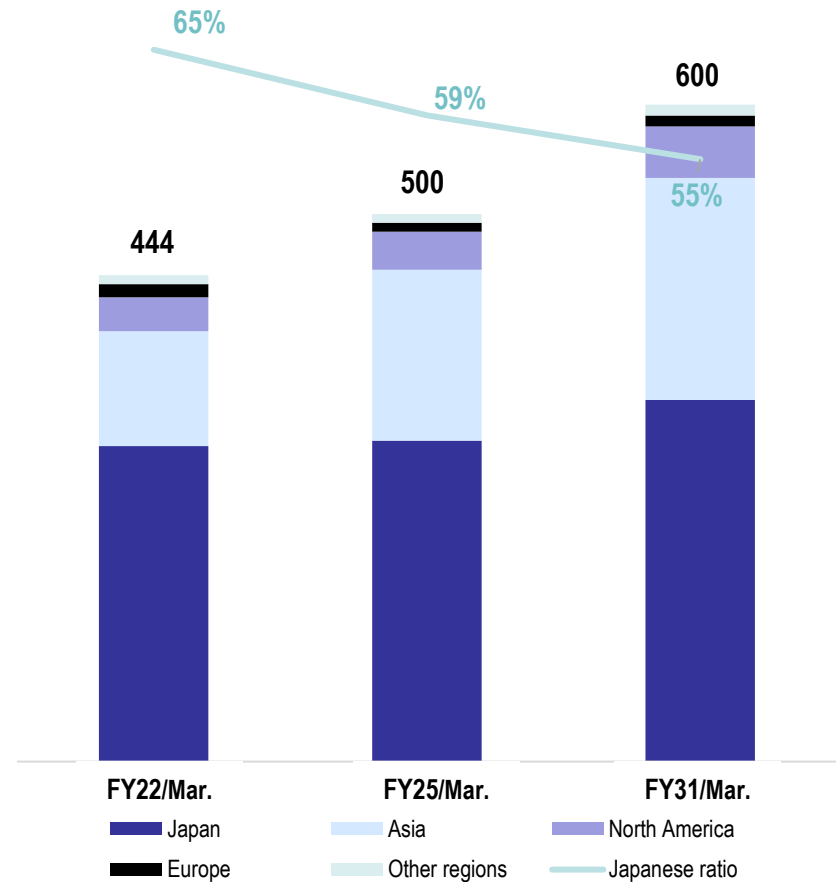
The direction targeted in “**With You toward 2024**”
 (2) Clarifying product groups and regions to focus on

Reform plan of the product portfolio



Planned figures of net sales by region

Unit: 100 million yen



Medium-term Management Plan
"With You toward 2024" Business Strategy

Priority Measures

1. Generating and providing value for customers

- Enhance products and services that contribute to the resolution of issues and business development of customers (users, distributors, etc.)
- Integrate provided products and services, visualize customer values, and provide at a value-suitable price

Total:	Research and Development	Continue to strengthen joint R&D with research institutions/universities/material manufacturers/device manufacturers
	Appeal to values	Promote proposing shared values to brand owners in addition to customers
By region:	Japan	Combine "high value added product + service" and provide them matching to the characteristics of the commercial/packaging/label printing markets
	Asia	Reconstruct distributor policy considering credit risk in addition to initiatives/achievements, and provide products that are "versatile and easy to use"
	North America	Combine the functions of the three subsidiary companies in North America, and accelerate promotion of "easy to use + energy saving" products to customers
	Europe	Establish support structure for new sales channels/distributors of various countries, and continue to promote and appeal "products that are highly eco-friendly"

2. Contribute to sustainability challenges

- Expand products that contribute to sustainability (energy saving/resource saving/safe, etc.)
- Reduction of greenhouse gas emissions through business operations

Products: Expand the lineup of "products that contribute to reducing of GHG emissions (eco-friendly products)" such as energy saving high-sensitivity UV ink. Expand "products that contribute to the circular economy (eco-friendly products)" that use biomass raw materials/recycled raw materials. Promote proper handling of chemical substances to customers, and continue initiatives to design products with lower hazard levels.

Business: Reduce GHG emissions in Japan (Scope 1, 2) by introducing electrical power, etc. with no CO2 emissions to the offices in Japan. Formulate reduction target/reduction plan of GHG emissions (Scope 1, 2, 3) in each group company, and promote the initiative.

Business Strategy: Image diagram of the steps to focus on

- Enhancement of environmental friendliness and safety of UV ink
- Further complete the EB curable ink and promote usage for flexible package

Development for untapped markets

Joint research and development with external partners

Understand what customers truly need, and create it in a tangible form

Solve the issues of customer companies/customer business development

- Easy to use products
- Eco-friendly Products
- Highly safe
- Prices that match the value
- Stable supply, etc.

Optimization of sales channels

Restructuring of policy/support structure for distributors

Visualization of customer values

- Improved product functions (tangible)
- Improved service functions provided through transactions with TOKA (intangible)
- Improve value Reduce costs

High value-added
Versatile
Energy saving
Easy to use
Highly eco-friendly, etc.

Proposal of "shared values" → **Brand owners**

Provide at a suitable price → **Customers**

Chosen by customers

- Respect human rights/promote diversity
- Human resources Secure/Train/Solidify
- Promotion of digital transformation
- Promotion of CSR-based procurement
- Strengthen supply chains
- Safe and secure quality assurance

Construct a management structure that considers capital costs, and withdrawal from/rationalization of product groups with expected lack of sufficient long-term returns

- Change the policy from improving economic values through expanding advantages of scale to "improving profitability" using reduction of cost of sales ratio/selling, general & administrative expense ratio as management indicators
- Consider capital costs when making investment decisions and selecting product portfolio, in order to improve capital efficiency
- Focus the allocation of management resources into product groups: UV ink and specialty products (fine dispersion products/functional resin). For other product groups, thoroughly implement rationalization or withdraw

Develop an IT foundation to improve corporate values and promote management decision making support that adapts to changing markets

- Construct an SCM optimization system and conduct an integrated review of the flow from suppliers to customers. Promote it to make the overall administrative process optimal and efficient
- Promote visualization from multiple angles and reduce internal administrative costs, anticipating the reduction in the size of the lithographic printing market and the rise in raw material, logistics, labor, and energy costs
- Construct a system that supports strengthening global sales for the group overall, promoting the improved accuracy/speed of accounting, and standardization of work/labor saving
- Strengthen the system as a result of shifting chemical substance management from individual handling of products to the management of the overall supply chain
- Incorporate the latest IT technologies to improve the level of reliability/availability/safety in order to improve the level of cloudization, BCP measures and security measures

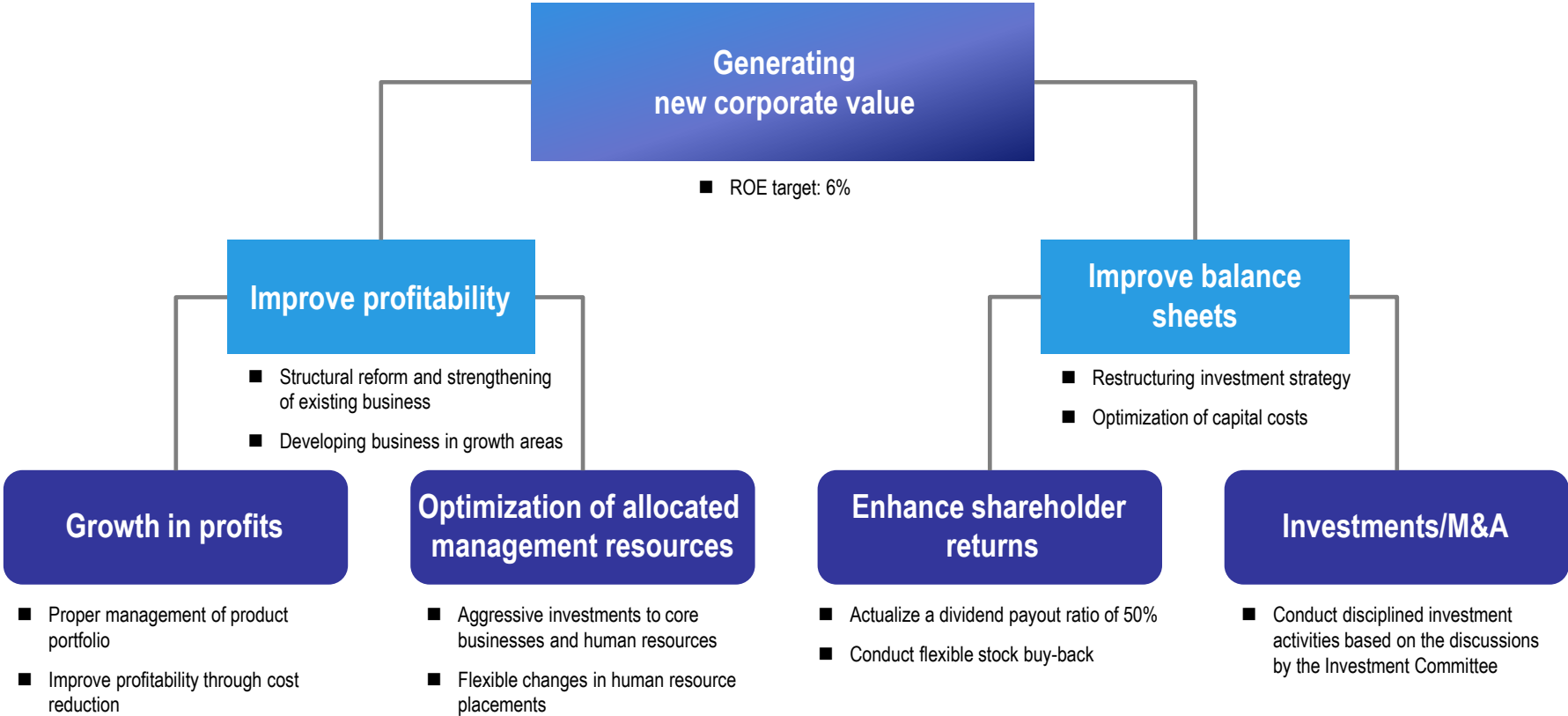
Establish a human resource development cycle that is full of vitality and diversity from a medium to long-term perspective

- In the previous medium-term management plan, a new HR system was formulated focusing on "respecting individuals," and "clarifying roles and demonstrating skills." This system will be used as the base to clarify the level of specialization required at each level, and the level of skills demonstrated by job type. By doing so, we can encourage employees to strive for their own growth and promote systematic career development and the development of highly specialized human resources
- To plan and form careers of diverse core human resources with the overall group in mind, promote the learning of knowledge and skills required for managers through global business and management challenge initiatives

Medium-term Management Plan
“With You toward 2024”
Financial/Capital Policy

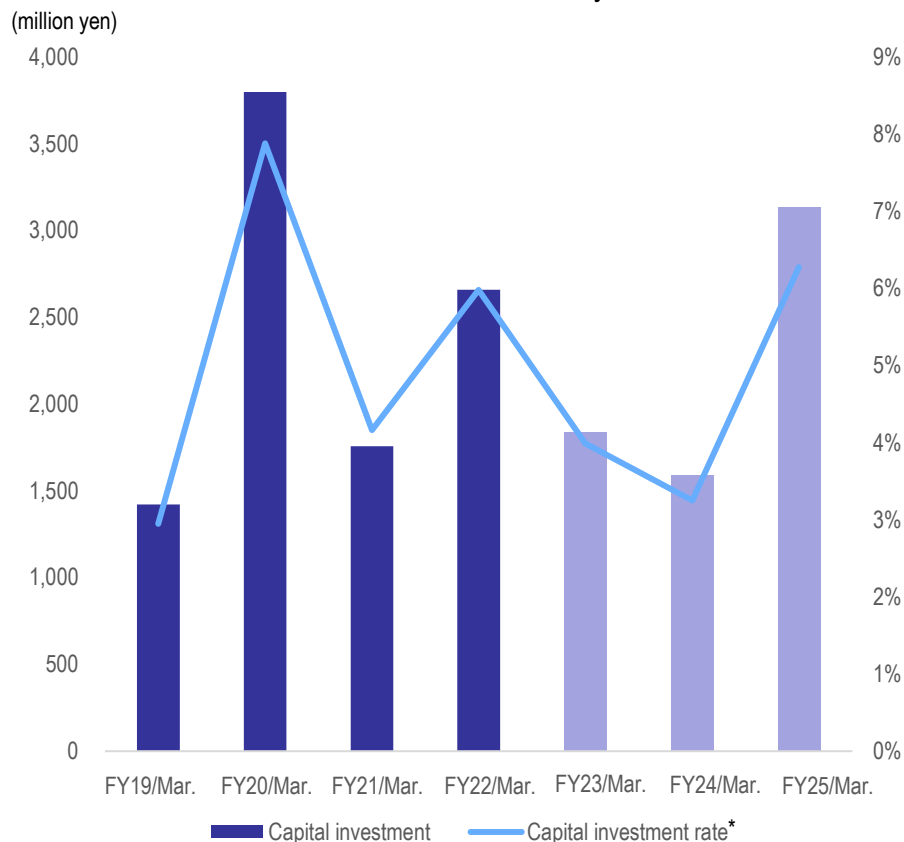
Initiatives to improve corporate values

Properly manage profit and balance sheets to actualize "the generation of new corporate value" and aim to achieve capital profitability targets and sustainable improvement of corporate value.



Capital investment amount

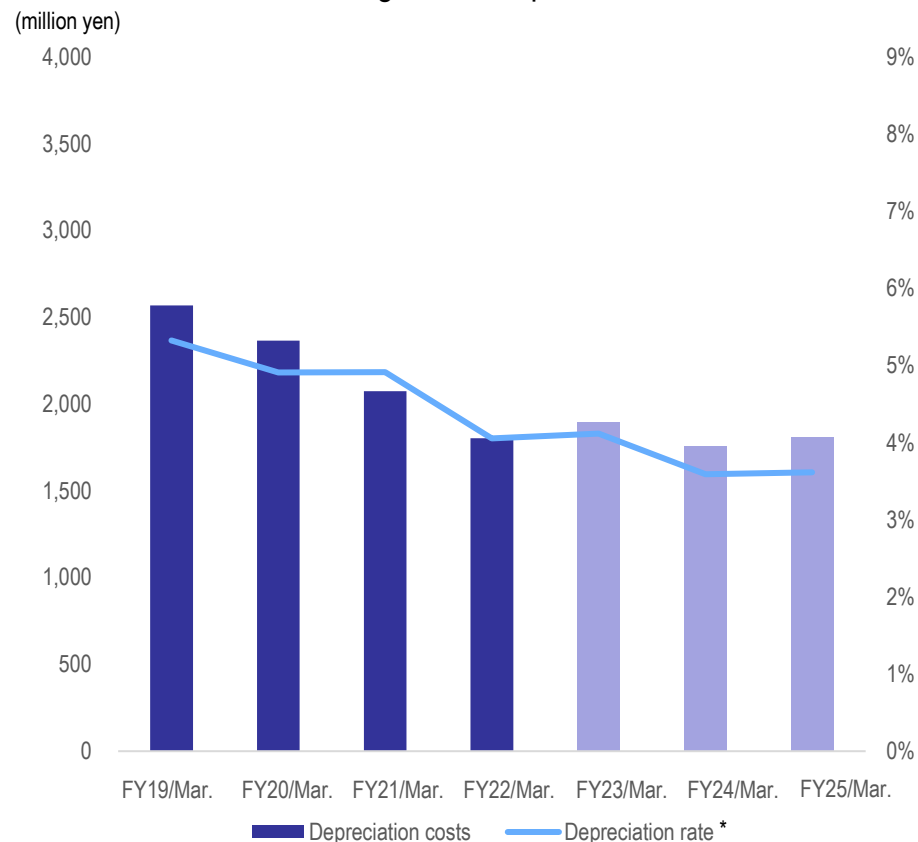
Implement after measuring the investment effects and necessity



*Capital investment rate = capital investment amount/net sales

Depreciation costs

Make investments for growth to develop next-generation products



*Depreciation rate = depreciation costs/net sales

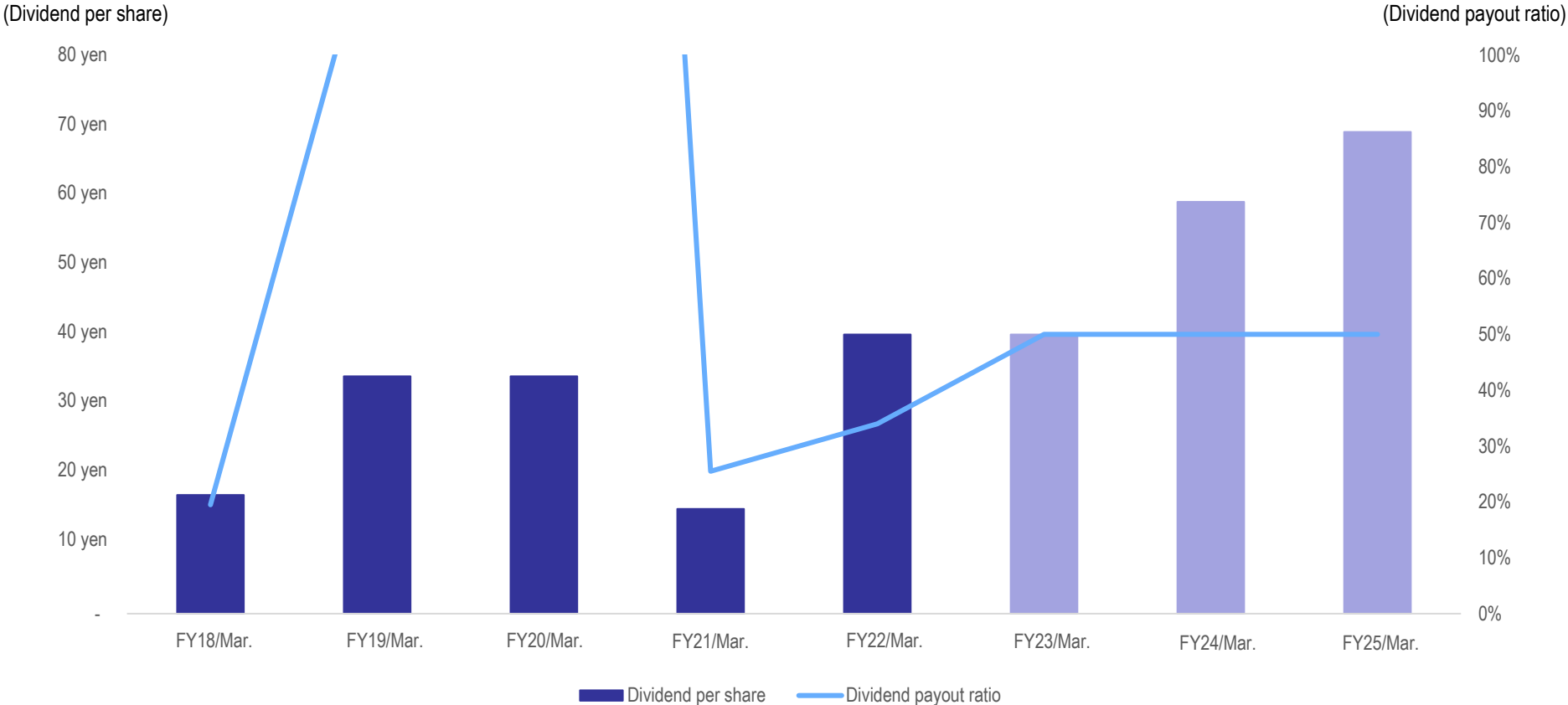
Capital policy

Dividend payout ratio

Share buy-back

The basic policy is to strengthen the financial structure for future business developments, and payout stable dividends based on performance. The medium to long-term consolidated dividend payout ratio is to be 50% or more

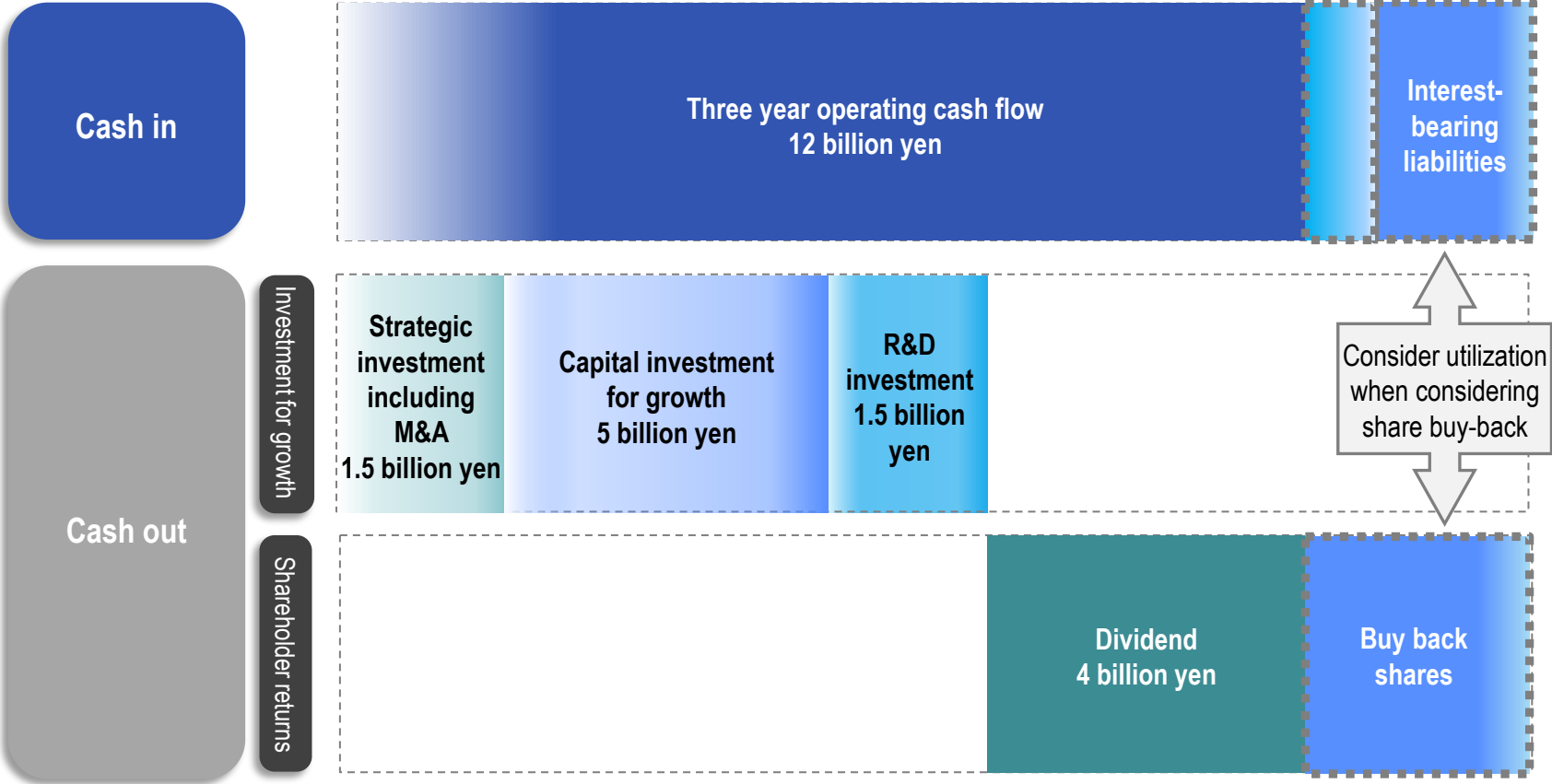
Implement flexible buy-back of shares when it is recognized that sufficient risk-responsive capabilities and internal reserves needed for future business development are secured



Prioritize the allocation of operating cash flow generated by existing businesses to capital/development investments, M&A, etc., and maintain stable dividends

However, if the operating cash flow is significantly higher than expected, due to stronger than expected progress in profitability, or if the investment is significantly lower than planned due to a lack of suitable projects, we will consider whether to return profits to shareholders or use the proceeds for growth investments in the next mid-term management plan

(Effective usage of non-business assets)
Surplus funds

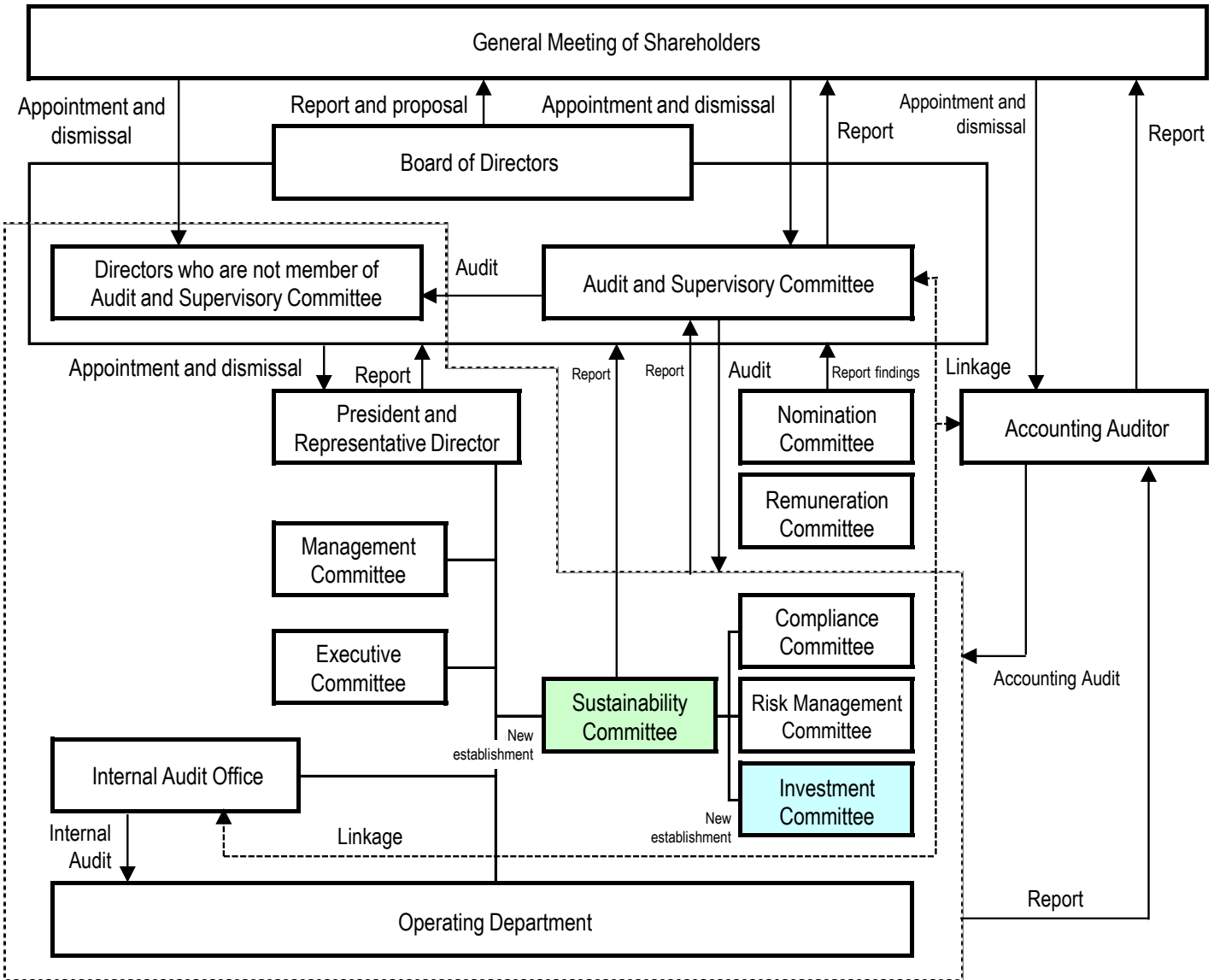


Medium-term Management Plan
“With You toward 2024”
Environment/Society/Corporate
Governance Measures

Improve economic values and environmental/social values at the same time,
and work on long-term sustainable developments

Category	Main challenges	Initiatives and goals [Fiscal year ending March 31st, 2023 to Fiscal year ending March 31st, 2025]
E	Climate change measures	GHG emission reduction - Through introducing green power, achieve a reduction of 50% or more compared to FY2013 (in Japan, Scope 1, 2) - Group GHG emission amount (Scope 1, 2, 3) Formulate and implement reduction targets/reduction plans
		Endorsement of TCFD recommendations - Handling disclosure request items (governance/strategy/risk management process/indicators and targets)
	Promotion of environmental protection	Annual emissions of PRTR substances and class 1/class 2 organic solvents; a reduction of 50% or more compared to FY2020
S	Promotion of diversity	Increase the diversity ratio of managers/core personnel (Japan) - Women : 2%→5% - Foreign nationals : 0%→2% - Experienced recruits : 10%→13%
	Employee engagement	Promotion of work–life balance - Percentage of paid vacation acquired among all employees: 60% or more - Acquisition of paternal leave after childbirth among male employees: 14 days or more and 100% acquisition rate
	Respecting human rights	Implement "business and human rights" initiatives - Implement human rights due-diligence
G	Promotion of ESG management	The Sustainability Committee to formulate the basic policy, supervising operations, and integrating and operating three committees*
	Promotion of fair business practice	Conduct ethical and honest transactions, promote CSR-based procurement, and formulating a guideline and thoroughly informing stakeholders
	Strengthening of group management	Clarify and share how the management structure should be (Who, What, How), and improve the effectiveness of putting it into practice
	Active disclosure of information	Improve the ability to analyze/evaluate key changes to external environmental factors, enrich indicated information, publish integrated reports

*Compliance Committee/Risk Management Committee/Investment Committee



Improve the quality of discussions at Board of Directors meetings and management/executive meetings through enhancing supervisory functions related to climate change risks and profit opportunities in our company's business operations

Purpose	Committee members	Positioning of the committee	Number of meetings held
<ul style="list-style-type: none"> ■ Setting sustainable challenges ■ Deliberation of initiatives considering the compatibility of management challenges and sustainable challenges 	<p>Committee chairman: President</p> <p>Members:</p> <p>Independent outside directors: 3</p> <p>Directors in charge of business: 1</p> <p>Directors in charge of management: 1</p>	<ul style="list-style-type: none"> ■ Positioned as an advisory committee for improving the quality of discussions at Board of Directors meetings and management/executive meetings ■ Put together/organize the company's internal sustainable initiatives ■ Organize the alignment of climate change and other risks with management strategies and challenges, etc 	<p>Expected to be held twice a year</p>

Sustainability Committee

In addition, we are currently working on "consolidating and organizing" climate-related risks and profit opportunities in our business activities, in conjunction with preparations for the establishment of the committee

Improve the quality of discussions at Board of Directors meetings and management/executive meetings through enhancing supervisory/screening functions related to investment decisions, including M&A strategies

Committee members	Positioning of the committee	Number of meetings held
<p>Committee chairman: Chief of independent outside directors</p> <p>Members: President and Representative Director Independent outside directors: 2 Directors in charge of business: 1 Directors in charge of management: 1</p>	<ul style="list-style-type: none"> ■ Positioned as an advisory committee for improving the quality of discussions at Board of Directors meetings and management/executive meetings ■ The Investment Committee checks/discusses an investment project in advance. Then, the committee notifies the Board of Directors and management/executive meetings about knowledge and expertise related to the investment decision 	<p>Expected to be held twice a year (flexibly scheduled if there is a major investment project)</p>

Investment Committee

Construct a deliberation cycle for actualizing flexible business portfolio management

- Monitoring of progress after executing investment/M&A
- Thoroughly review the validity of investment projects, including M&A
- Formulating investment and EXIT standards considering capital profitability/capital costs

	Nomination	Job position	Committee	Expertise and experience						
				ESG/ Management strategy	Legal/ compliance	Production/ R&D	Business strategy/ marketing	Finance/ accounting	HR management/ training	International business
1	Yoshikatsu Masuda	President	Nomination/Remuneration	Yes						Yes
2	Kazuhiko Nakama	Director				Yes				Yes
3	Ryuichi Kurimoto	Director					Yes			Yes
4	Akihiro Takamizawa	Director		Yes			Yes			Yes
5	Hideaki Sekine	Director						Yes		
6	Sairan Hayama	(Outside) Director		Yes						Yes
7	Shintetsu Iwamoto	(Outside) Director		Yes			Yes			
8	Kenji Otaka	(Outside) Director	Remuneration	Yes			Yes		Yes	Yes
9	Satoshi Noguchi	(Outside) Director	Nomination	Yes				Yes	Yes	
10	Koichi Hanabusa	(Outside) Director	Remuneration	Yes	Yes			Yes		
11	Hideaki Kimura	(Outside) Director	Nomination		Yes				Yes	

Experience and skills needed from executive directors

ESG and management strategy/production and R&D/business strategy and marketing/international business

Experience and skills related to supervision and governance *Expected areas for outside directors who supervise the executive director from diverse perspectives

ESG/management strategy: Requires someone who has experience/expertise in governance, strategy, implementation and understands the financial, managerial, strategic issues the company faces

Legal/compliance: Directors with legal/risk management experience/expertise are needed as our company conducts business globally and needs to conform to various regulations by region

International business: To strengthen overseas strategies, it is essential to have knowledge/experience in multinational corporations and international markets

Finance/accounting: Directors with experience/expertise in finance are needed for the audit committee

HR management/training: Directors with knowledge/experience in internal controls are essential for further strengthening of governance

With the new medium-term management plan in mind, the skill matrix is under review. In addition, we are considering the addition of independent outside directors



Kenji Otaka

Mr. Kenji Otaka has contributed to the enhancement of our corporate value through supervision of the management of our company from an independent standpoint, and also reflecting his global perspectives in the management of our company, based on his wealth of experience and high level of insight gained as a manager of group companies of a large international corporation.



Satoshi Noguchi

Mr. Satoshi Noguchi has contributed to the enhancement of our corporate value by ensuring transparency and soundness in management, as his wealth of knowledge and experience as a person involved in the financial industry and a manager has been utilized to strengthen the management supervision and decision-making functions of our company.



Koichi Hanabusa

Mr. Koichi Hanabusa has served as an Outside Director of our company since July 2019, and has contributed to strengthening the supervisory and decision-making functions of the Board of Directors, utilizing his wealth of experience and expertise in corporate accounting as a certified public accountant in the management and audit and supervisory functions of our company.



Hideaki Kimura (New appointment candidate)

Mr. Hideaki Kimura is expected to contribute to the enhancement of our corporate value by ensuring transparency and soundness in management, as his professional knowledge and experience as a lawyer, and his management-independent perspective would be utilized to supervise the management of our company and strengthen corporate governance.



Sairan Hayama (New appointment candidate)

Ms. Sairan Hayama is a full-time professor at the College of Business Administration, Shukutoku University, and has expertise dealing with social responsibility of corporations and global management. She is expected to contribute to improving corporate values through making changes from the CSR perspective and improving the transparency and soundness of management.

* New appointment candidates are scheduled to be made official after an approval at the 80th Ordinary General Meeting of Shareholders to be held on June 24th, 2022



Yoshikatsu Masuda

Job position: President (reappointment candidate)

History: worked as the Chief of Headquarters, Management Headquarters then has held the current position since 2007

Age: 53 | Number of years in office : 18



Kazuhiko Nakama

Job position: Managing Director (reappointment candidate)

History: worked as the Chief of Headquarters of the Ink Business Headquarters then has held the current position since June 2022 (scheduled)

Age: 55 | Number of years in office : 7



Ryuichi Kurimoto

Job position: Director (reappointment candidate)
Chief of Headquarters, Management Headquarters

History: worked as the deputy Chief of Headquarters of the Ink Business Headquarters, then has held the current position since June 2022 (scheduled)

Age: 58 | Number of years in office : 8



Akihiro Takamizawa

Job position: Director (reappointment candidate)
Chief of Headquarters, Ink Business Headquarters

History: worked as the Chief of Headquarters of the Overseas Ink Sales Div., Ink Business Headquarters, then has held the current position since June 2022 (scheduled)

Age: 52 | Number of years in office : 1



Hideaki Sekine

Job position: Director (new appointment candidate)
Deputy Chief of Headquarters, Management Headquarters and Department Manager of Finance Dept.

History: worked as a branch manager of three Mizuho Bank branches, loaned to the company as Department Manager of the Finance Dept., in 2021. Entered the company in 2022, then has held the current position since June 2022 (scheduled)

Age: 53 | Number of years in office : 0



Sairan Hayama

Job position: Outside Director
(new appointment candidate)

Concurrent position: full-time professor at the College of Business Administration, Shukutoku University
Part-time lecturer, Faculty of Global and Interdisciplinary Studies, Hosei University

Age: 57 | Number of years in office : 0



Shintetsu Iwamoto

Job position: Outside Director (new appointment candidate)

Concurrent position: Representative Director, Sedibus Corporate Advisory Co., Ltd.
Representative Director, MIKE GRAY CO., LTD.

Age: 51 | Number of years in office : 0



Kenji Otaka

Job position: Outside Director

Age: 70 | Number of years in office : 7



Satoshi Noguchi

Job position: Outside Director

Age: 69 | Number of years in office : 5



Koichi Hanabusa

Job position: Outside Director

Concurrent position: Head of Hanabusa Certified Public Accountant's Office

Age: 63 | Number of years in office : 3



Hideaki Kimura

Job position: Outside Director
(new appointment candidate)

Concurrent position: Attorney at Yotsuya Higashi Law Office
Visiting Professor, Graduate School of Law, Chuo University

Age: 60 | Number of years in office : 0

Independent outside director

*1 Reappointment/new appointment candidates
Candidate appointments are scheduled to be made official after an approval at the 80th Ordinary General Meeting of Shareholders to be held on June 24th, 2022

*2 Job position, age, and number of years in office
As of June 24th, 2022

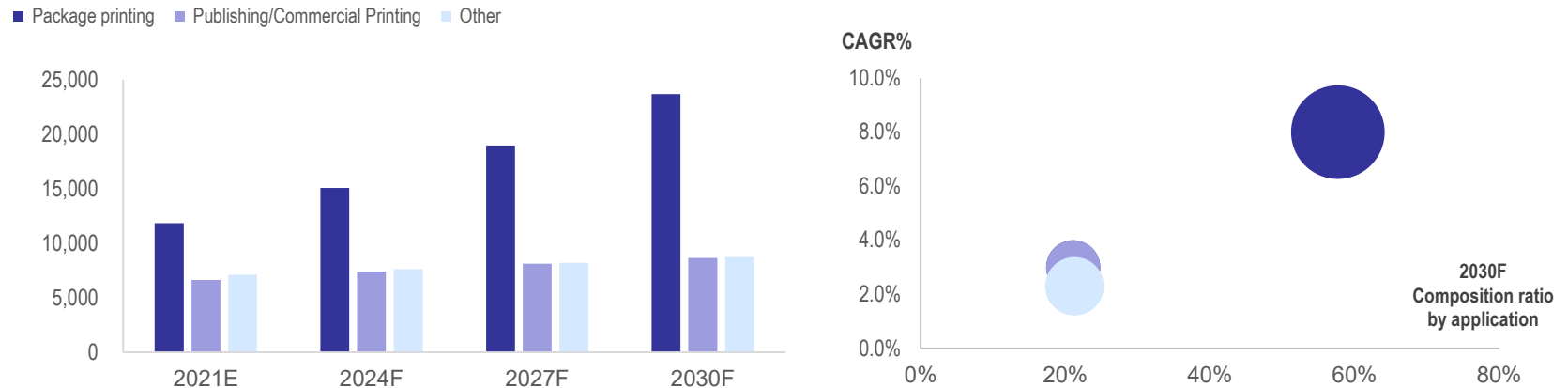


Supplementary Materials

Focus on the packaging printing field

We estimate that printing ink for package printing, mainly UV ink, account for more than 50% of the our group's printing ink sales by application. Our group is aiming to expand its business in this field, as the global demand forecast for printing inks by application indicates that the package printing application is expected to grow in the future. Packaging printing can be divided into labels, folding cartons, flexible package, and corrugated cardboard. For labels and folding cartons, we plan to strengthen existing products and cultivate the market for them to a greater depth. We will also work on new areas for growth in the flexible package field with a large market size, where solvent ink is currently dominant.

2021 - 2023 Forecast of the Global Printing Ink Market by Application (unit: million USD)



The breakdown of packaging printing fields and the deployment status of our ink products (current)

	Packaging printing							
	Label			Folding cartons		Flexible packaging		Cardboard
Main printing methods	Letterpress	Flexography		Lithographic		Gravure	Flexography	Flexography
Main ink types	UV ink	UV ink	Water-based ink	Vegetable oil-based ink	UV ink	Solvent-based ink	Solvent-based ink	Water-based ink
Our superiority in the market	Excellent	Good	N/A	Good	Excellent	Limited	N/A	N/A

This presentation contains information about the future forecast based on our plans and predictions. Information related to future predictions are forecast values based on currently obtainable information by our company, which can be influenced by uncertain factors, such as the economic environment, competitive situations, and success or failure of new services.

Therefore, results may show significantly different actual performance than the information in this presentation related to future forecasts.

Our company bears no responsibility to update and announce information related to future forecasts after releasing this presentation.

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