

# Nanahoshi Management

## Japan Shareholder Proposals Report 2023



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# We aim to introduce excellent activism opportunities in the Japanese equity market for investors outside Japan.

By being a shareholder activist and shareholder activism outsourcing provider, we, Nanahoshi Management, contribute to the equity market in Japan.

## The scope of this Report

We have gathered the results of the resolution data and processed them. The scope is the annual general meetings held in June 2023. The past data from 2020 are primarily based on other data sources specified in every slide. We carefully reviewed all the data but don't guarantee the data's completeness or accuracy. Please find the disclaimer on page 14 before using this Report.

## About us

Nanahoshi Management started its activist strategy investment in September 2022. We disclosed our activist campaign to YSK (2812) and successfully executed appropriate shareholder rights, including exercising the rights to propose resolutions to YSK this June. Please find more on page 12.

## Definition and Abbreviations

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|                            |  |
|----------------------------|--|
| Adj. hld                   | Adjusted holdings are the proposing shareholder's # of shares divided by the total votes cast (favour, against, abstentions, and votes in attendance). The total votes cast are estimated by # of votes in favour divided by % of votes in favour. Please note that the denominator of this calculation is not all the voting rights because the total votes cast are smaller than the total voting rights.  |
| AGM                        | Annual General Meeting   |
| AoA                        | Articles of Association  |
| DOE                        | Dividend on Equity (Dividend per share divided by Book value per share)  |
| ND in adj hld column       | Not Disclosed. The data in the column is the number acquired from the company's document, the proposing shareholder's document, or a reasonable estimation of the exact holdings at the record date of the end of March from public filings. Therefore, if the shareholder's latest large holding filing was 7.32%, which is obligated for 5% holding and every 1%pt change, on 20th March 2023, the column is ND though at least >6.32% can be confirmed. |
| Votes in favour percentage | Most companies report this percentage. If % of against votes against is reported instead of the votes in favour percentage, the percentage of votes in favour is recalculated by votes in favour divided by the estimated total votes cast. See page 10 and 11.  |

## Useful links regarding the AGM season in Japan

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### RE: Pre-AGM 2023 summary and historical number of shareholder proposals

- [Shareholder Proposals Hit Record in Japan in Quest for Returns \(Bloomberg, By Hideyuki Sano and Yasutaka Tamura, 20 June 2023\)](#)
- [紛糾必至!「2023年株主総会」の注目企業と争点 \(2023.6.24, 東洋経済オンライン, 山田 雄一郎\)](#)

### RE: Past AGM analysis

- [Shareholder Meetings in Japan - June 2022 \(Sumitomo Mitsui Trust Bank, SuMi TRUST ENGAGEMENT SQUARE, August 2022\) see. P.22](#)
- [Japan 2022 Proxy Season \(White & Case LLP, 27 December 2022\)](#)
- [勝てたのは6%、2022年「株主提案の勝敗」全リスト \(2022.7.25, 東洋経済オンライン, 山田 雄一郎, 東洋経済 株主総会取材班\)](#)

### RE: Results of resolutions at AGMs provided with Excel files

- [「機関投資家の議決権行使結果」円谷昭一研究所](#)

### RE: The rule of a shareholder proposal in Japan

- [Filing a shareholder proposal in Japan\(PRI\)](#)

### RE: The calculation of the percentage of votes in favour

- [「外国人投資家の実像とディスクロージャー・IR」 \(プロネクサス総合研究所研究所レポート2014第8号\) 8頁 円谷昭一教授](#)

## 2023 shareholder proposals in a nutshell

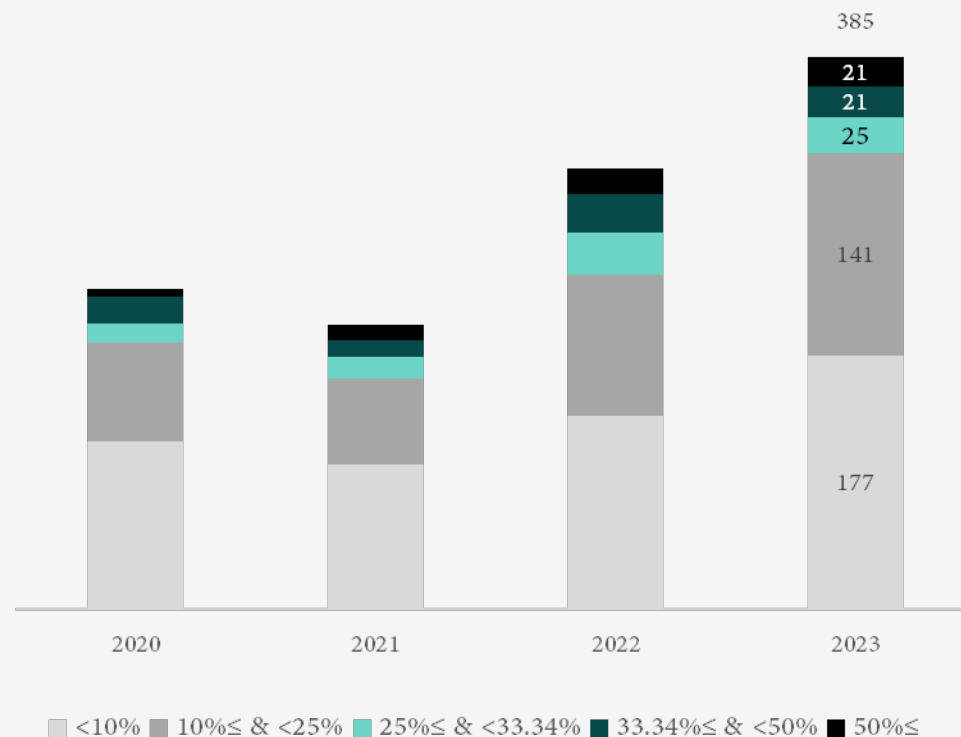
### Proposals other than the elections of candidates are approved

- AVI successfully passed their proposals at the AGM of NC Holdings (6236)

### AVI's proposals recording >50% votes in favour

| Resolution type  | Votes in favour |           |
|--|-----------------|-----------|
|  | percentage      | threshold |
| 1 Enable shareholders to approve the distribution of surplus | 69.56%          | 66.67%    |
| 2 Distribution of surplus (Dividend)                         | 61.58%          | 50%       |
| 3 Remuneration (Performance-Based Stock & Restricted Shares) | 58.01%          | 50%       |
| 4 Number of Directors  | 56.71%          | 66.67%    |
| 5 Policy against Large-Scale Purchases of Share Certificates | 56.59%          | 66.67%    |
| 6 Limit third-party allocation of shares                     | 56.41%          | 66.67%    |

### Votes in favour % range wise # of shareholder proposals in June



Note(1): the # of ≥ 50% resolutions other than elections of candidates are 0, 1, 1, and 6 from 2020 to 2023, respectively.

- The resolution in 2021 was to disclose the cost of equity for Uniden HD (which is not listed now) by Lim Advisors. The votes in favour percentage was 53.91%, but the threshold was 66.67% (not approved).
- The resolution in 2022 was to distribute the surplus, gaining 97.19% in favour. The company submitted the exact resolution as the shareholder; therefore, this is both the shareholder and company proposals.

Note(2): the # of resolutions is counted on a candidate basis. If the proposals of an election of candidates are for three candidates, the number of resolutions is three, not one.

## Resolutions with top votes in favour list

### AVI, DSG1 and YFO passed their proposals

- Sixteen candidates are approved as directors and a statutory auditor
- Despite the majority percentage of votes in favour, 3 proposals (11, 12, and 13) were not approved as the threshold was 66.67%

### List of $\geq 50\%$ votes in favour

|    | Description of the resolution 株主提案概要 |                               |  | Votes in favour 賛成票 |                 |                         |
|----|--------------------------------------|-------------------------------|--|---------------------|-----------------|-------------------------|
|    | Shareholder<br>提案株主                  | Proposed company<br>提案を受けた会社  | Types of resolutions<br>株主提案の種類                            | Percentage<br>割合    | Threshold<br>基準 | o/w ajd. hld<br>調整後保有割合 |
| 1  | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Enable shareholders to approve the distribution of surplus | 69.56%              | 66.67%          | 22.25%                  |
| 2  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Sawada (Director)                                       | 62.93%              | 50%             | 34.63%                  |
| 3  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Maruono (Director)                                      | 62.85%              | 50%             | 34.63%                  |
| 4  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Ito (Director)  | 62.82%              | 50%             | 34.63%                  |
| 5  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Iida (Director)   | 62.74%              | 50%             | 34.63%                  |
| 6  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Gamo (Director)   | 62.65%              | 50%             | 34.63%                  |
| 7  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Kim (Director)  | 62.55%              | 50%             | 34.63%                  |
| 8  | Daring Savvy Growth 1 (DSG1)         | FVC (フューチャー・ヘンチャークヤビタル 8462)  | Mr Kubo (Director)   | 62.50%              | 50%             | 34.63%                  |
| 9  | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Distribution of surplus (Dividend)                         | 61.58%              | 50%             | 22.25%                  |
| 10 | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Remuneration (Performance-Based Stock & Restricted Shares) | 58.01%              | 50%             | 22.25%                  |
| 11 | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Number of Directors  | 56.71%              | 66.67%          | 22.25%                  |
| 12 | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Policy against Large-Scale Purchases of Share Certificates | 56.59%              | 66.67%          | 22.25%                  |
| 13 | Asset Value Investors                | NC holdings (NCホールディングス 6236) | Limit third-party allocation of shares                     | 56.41%              | 66.67%          | 22.25%                  |
| 14 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Matsuki (Director)                                      | 56.09%              | 50%             | 27.92%                  |
| 15 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Kato (Director)   | 54.83%              | 50%             | 27.92%                  |
| 16 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Okada (Director)  | 53.83%              | 50%             | 27.92%                  |
| 17 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Natori (Director)                                       | 53.83%              | 50%             | 27.92%                  |
| 18 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mrs Nonaka (Statutory auditor)                             | 53.52%              | 50%             | 27.92%                  |
| 19 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Yoshida (Director)                                      | 52.19%              | 50%             | 27.92%                  |
| 20 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Tosaka (Director)                                       | 51.16%              | 50%             | 27.92%                  |
| 21 | Yamauchi No. 10 Family Office        | TOYO Const. (東洋建設 1890)       | Mr Uchiyama (Director)                                     | 50.59%              | 50%             | 27.92%                  |

## Distribution of surplus (Dividend)

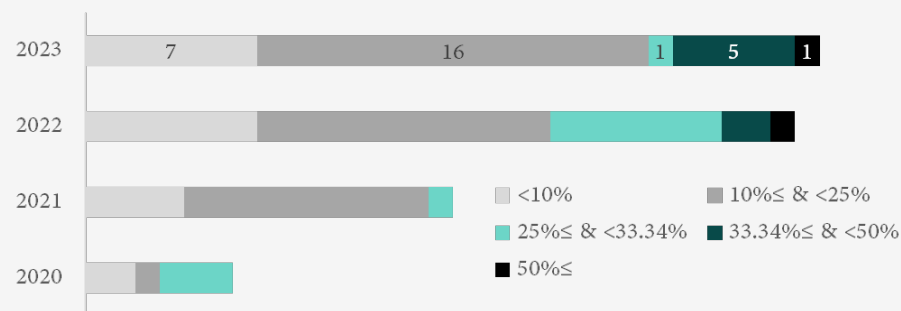
### The # of 33.34-50% votes in favour increased in 2023

- AVI ranked as #1 and #4. One of them was approved, with 61.58% in favour
- 3 proposals in the top 15 list requesting dividends equal to a particular DOE despite most focusing on a certain payout ratio

### Top 15 votes in favour list (threshold: 50%)

|    | Description of the resolution |                               |                              | Votes in favour |              |
|----|-------------------------------|-------------------------------|------------------------------|-----------------|--------------|
|    | Shareholder                   | Proposed company              | Target Dividend              | Percentage      | o/w ajd. hld |
| 1  | Asset Value Investors         | NC Holdings (NCホールディングス 6236) | payout ratio 70%             | 61.58%          | 22.25%       |
| 2  | VARECS                        | Technomedica (テクノメディカ 6678)   | payout ratio 100%            | 41.36%          | ND           |
| 3  | ESG Inv. Partnership          | MEG (宮地エンジニアリング 3431)         | payout ratio 70%             | 38.84%          | 9.10%        |
| 4  | Asset Value Investors         | SK Kaken (エスケー化研 4628)        | payout ratio 30%             | 35.14%          | ND           |
| 5  | Capital Gallery               | Yotai (ヨータイ 5357)             | no reference                 | 33.60%          | 4.70%        |
| 6  | Strategic Capital             | Tachi-s (タチエス 7239)           | DOE 6%                       | 33.38%          | 11.70%       |
| 7  | Silchester                    | Obayashi (大林組 1802)           | payout ratio 50%+a           | 26.00%          | 2.31%        |
| 8  | Strategic Capital             | KYOKUTO KAI. (極東開発工業 7226)    | Max [p/o ratio 100%, DOE 8%] | 24.41%          | 6.45%        |
| 9  | Not Disclosed                 | GIGA PRIZE (ギガプライズ 3830)      | payout ratio 30%             | 23.19%          | ND           |
| 10 | Silchester                    | The Bank of Kyoto (京都銀行 8369) | 50% of core NI + a           | 23.00%          | 6.86%        |
| 11 | Not Disclosed                 | Shinnihon corp (新日本建設 1879)   | no reference                 | 22.57%          | ND           |
| 12 | Individual                    | Hyakugo Bank (百五銀行 8368)      | payout ratio 50%             | 21.86%          | 0.01%        |
| 13 | Strategic Capital & NAVF      | Bunka Shutter (文化シャッター 5930)  | payout ratio 100%            | 21.47%          | 9.05%        |
| 14 | Not Disclosed                 | TOHOKUSHINSHA (東北新社 2329)     | no reference                 | 19.12%          | ND           |
| 15 | Nanahoshi Management          | YSK (焼津水産化学工業 2812)           | DOE 10%                      | 19.01%          | 0.64%        |

### # of shareholder proposals



## Share buyback

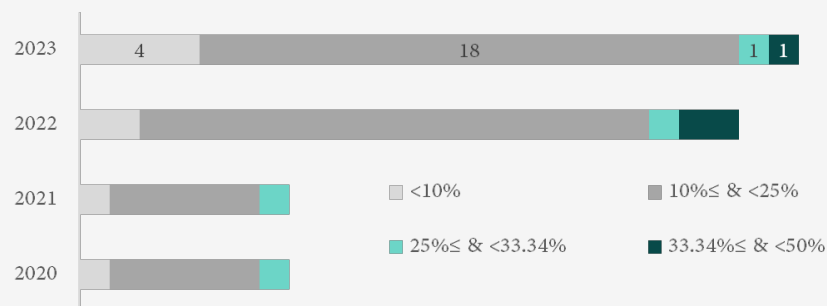
10 % of share outstanding / retained earnings are targeted

- Nippon Active Value Fund, Longchamp and Dalton account for 6 of the top 15

### Top 15 votes in favour list (threshold: 50%)

|    | Description of the resolution |                                 |                           | Votes in favour |              |
|----|-------------------------------|---------------------------------|---------------------------|-----------------|--------------|
|    | Shareholder                   | Proposed company                | Target indicator          | Percentage      | o/w ajd. hld |
| 1  | Nippon Active Value Fund      | Hokuetsu (北越コーポレーション 3865)      | 10% of shares outstanding | 37.83%          | ND           |
| 2  | Nippon Value Investors        | Nippon Seiki (日本精機 7287)        | 10% of retained earnings  | 31.67%          | ND           |
| 3  | TK1                           | NisshinHD (日神HD 8881)           | no reference              | 24.22%          | 1.29%        |
| 4  | Longchamp                     | TODA (戸田建設 1860)                | 10% of shares outstanding | 23.76%          | ND           |
| 5  | Nippon Active Value Fund      | Ishihara Chemical (石原ケミカル 4462) | 10% of shares outstanding | 22.10%          | 5.96%        |
| 6  | Individual                    | Hyakugo Bank (百五銀行 8368)        | no reference              | 21.95%          | 0.01%        |
| 7  | Nippon Active Value Fund      | MEISEI (明星工業 1976)              | 10% of shares outstanding | 21.91%          | 5.13%        |
| 8  | Not Disclosed                 | Shinnihon corp (新日本建設 1879)     | no reference              | 21.83%          | ND           |
| 9  | Nippon Value Investors        | NETUREN (ネツレン 5976)             | 10% of retained earnings  | 21.62%          | ND           |
| 10 | Nippon Active Value Fund      | Bunka Shutter (文化シャッター 5930)    | 10% of shares outstanding | 21.38%          | ND           |
| 11 | Nippon Active Value Fund      | VITAL KSK (バイタルKSK 3151)        | 10% of shares outstanding | 20.50%          | ND           |
| 12 | HIDESHOU                      | Mitsui M&S (三井金属鉱業 5706)        | no reference              | 20.25%          | 0.07%        |
| 13 | Silchester                    | The Bank of Kyoto (京都銀行 8369)   | no reference              | 20.00%          | 6.86%        |
| 14 | Not Disclosed                 | North Pacific Bank (北洋銀行 8524)  | Total Return Ratio 55%    | 16.53%          | 0.01%        |
| 15 | TK1                           | YAGI (ヤギ 7460)                  | no reference              | 16.31%          | ND           |

### # of shareholder proposals



## Other distribution of surplus-related proposals

Proposals that enable shareholders to approve some capital allocation (dividends\*, cancellations of treasury shares) gained significant votes in favour

- AVI passed the proposal, and Not Disclosed shareholders marked >30% in favour

Shares distribution in kind (distribution of the cross-shareholdings, a.k.a strategically held shares) stand out for this AGM season

- Such a proposal is a brand-new approach to solving cross-shareholding issues, particularly for a company holding on to a massive amount of a particular stock

### Top 10 votes in favour list (threshold: 50% or 66.67%)

| Description of the resolution |                                    |  |            | Votes in favour |  |
|-------------------------------|------------------------------------|--|------------|-----------------|--|
| Shareholder                   | Proposed company                   | Target indicator   | Percentage | o/w ajd. hld    |  |
| 1 Asset Value Investors       | NC Holdings (NCホールディングス 6236)      | Enable shareholders to approve the distribution of surplus         | 69.56%     | 22.25%          |  |
| 2 Individual                  | Ahresty (アーレスティ 5852)              | Enable shareholders to approve the distribution of surplus         | 33.98%     | 2.25%           |  |
| 3 Not Disclosed               | Suruga Bank (スルガ銀行 8358)           | Enable shareholders to approve the distribution of surplus         | 31.82%     | 0.03%           |  |
| 4 Asset Value Investors       | SK Kaken (エスケー化研 4628)             | Enable shareholders to approve the cancellation of treasury shares | 25.84%     | ND              |  |
| 5 Hibiki Path Advisors        | Japan Pure Chemical (日本高純度化学 4973) | Set DOE 5% policy in AoA   | 23.83%     | ND              |  |
| 6 Strategic Capital           | Tachi-s (タチエス 7239)                | Shares distribution in kind  | 23.76%     | 11.70%          |  |
| 7 Nanahoshi Management        | YSK (焼津水産化学工業 2812)                | Unable the board solely to approve the distribution of surplus **  | 20.56%     | 0.64%           |  |
| 8 Not Disclosed               | SHINTO PAINT (神東塗料 4615)           | Enable shareholders to approve the distribution of surplus         | 19.80%     | 0.13%           |  |
| 9 Individual                  | Maruhachi Securities (丸八証券 8700)   | Enable shareholders to approve the distribution of surplus         | 17.10%     | 1.71%           |  |
| 10 Individual                 | Ahresty (アーレスティ 5852)              | Set 1% of equity capital for share buyback policy in AoA           | 15.75%     | 2.25%           |  |

\* Company can enable the board of directors to determine the distribution of surplus without shareholders' approval if the company fulfils specific criteria (tenure of directors etc.). Therefore, such shareholder proposals substantially request to return the right to shareholders.

\*\*Though AoA states that both the board and shareholders can approve the distribution in theory, the board can choose whether to raise the resolution to the AGM in practice. As the board of YSK continues to determine the distribution by themselves, the shareholders cannot directly participate in the determination process, such as in YSK's case. Nanahoshi Management requested to let the board cannot solely determine the distribution.



## Climate-related proposals

The # of climate-related proposals doubled, marking a gradual increase to 14 in 2023, from 7 in 2022 and 3 in 2021, respectively

- The Proposal by Kyoto City marked a record-high favour percentage at 36.4%, followed by the proposal to Mizuho at 34% in 2020

- Asia Shareholder Action strengthened their presence

### All the 14 proposals (threshold: 66.67%)

|    | Shareholder  | Proposed company              | Description of the resolution   | Votes in favour |              |
|----|--|-------------------------------|---|-----------------|--------------|
|    |  |                               |   | Percentage      | o/w ajd. hld |
| 1  | Kyoto City   | Kansai Elec.<br>(関西電力 9503)   | Disclose the transition plan and the risks & opportunities related to the medium- to long-term climate based on the scenario analysis up to 2050, which aligns with the Paris Agreement | 36.40%          | 0.60%        |
| 2  | Amundi, HSBC AM and Australasian Centre for Corporate Responsibility | J-Power<br>(電源開発 9513)        | Formulate and disclose a plan to achieve science-based short/medium-term GHG emissions reduction targets aligned with the Paris Agreement in annual reports                             | 21.20%          | ND           |
| 3  | Osaka City & Kyoto City  | Kansai Elec.<br>(関西電力 9503)   | Achieve carbon neutrality by 2050 including power generation in which renewable energy is set as the main power source (and contribution to achieving a zero-carbon Society)            | 21.00%          | 10.29%       |
| 4  | Asia Shareholder Action  | SMFG<br>(8316)                | Issuing and disclosing a transition plan to align lending and investment portfolios with the Paris Agreement's 1.5 degree goal requiring net zero emissions by 2050                     | 20.68%          | ND           |
| 5  | Asia Shareholder Action  | MitsubishiCorp<br>(三菱商事 8058) | Adoption and disclosure of short/long term GHG emission reduction target aligned with the Paris Agreement   | 19.84%          | ND           |
| 6  | Asia Shareholder Action  | Chubu Elec.<br>(中部電力 9502)    | Alignment of capital allocation with a net zero by 2050 pathway   | 19.60%          | ND           |
| 7  | Asia Shareholder Action  | Mizuho<br>(みずほFG 8411)        | Issuing and disclosing a transition plan to align lending and investment portfolios with the Paris Agreement's 1.5 degree goal requiring net zero emissions by 2050                     | 19.00%          | ND           |
| 8  | Asia Shareholder Action  | MUFG<br>(8306)                | Issuing and disclosing a transition plan to align lending and investment portfolios with the Paris Agreement's 1.5 degree goal requiring net zero emissions by 2050                     | 17.32%          | ND           |
| 9  | Nanahoshi Management   | YSK<br>(焼津水産化学工業 2812)        | Issuing and disclosing a transition plan while joining UN Race to Zero Campaign   | 15.16%          | 0.64%        |
| 10 | Kapitalforeningen MP Invest, Storebrand AM, APG AM                   | TOYOTA<br>(トヨタ自動車 7203)       | Annual review and report of the impact caused by climate-related lobbying activities and the alignment with the goals of the Paris Agreement  | 15.06%          | ND           |
| 11 | Amundi, HSBC AM and Australasian Centre for Corporate Responsibility | J-Power<br>(電源開発 9513)        | Disclose how the remuneration policies facilitate the achievement of the science-based short- and medium-term GHG emissions reduction targets   | 15.00%          | ND           |
| 12 | Asia Shareholder Action  | MitsubishiCorp<br>(三菱商事 8058) | Disclosure how to evaluate the consistency of each new material CapEx with a net zero GHG emissions by 2050 scenario  | 12.42%          | ND           |
| 13 | Asia Shareholder Action  | Tokyo Elec.<br>(東京電力HD 9501)  | Alignment of capital allocation with a net zero by 2050 pathway   | 9.86%           | 0.001%       |
| 14 | HIDESHOU   | Mitsui M&S<br>(三井金属鉱業 5706)   | Announce initiatives in line with the Paris Agreement, considering risks & opportunities associated with climate change   | 8.72%           | 0.07%        |

## Rest of the shareholder proposals

### Summary of the rest of shareholder proposals

|  | #  | Avg. % | Votes in favour |              |                 |                 |      |
|--|----|--------|-----------------|--------------|-----------------|-----------------|------|
|  |    |        | <10%            | 10%≤<br><25% | 25%≤<br><33.34% | 33.34%≤<br><50% | 50%≤ |
| Limit third-party allocation of shares | 1  | 56%    |                 |              |                 |                 | 1    |
| Proposals regarding takeover defense   | 5  | 33%    |                 | 2            | 2               |                 | 1    |
| Proposals regarding remuneration       | 41 | 20%    | 10              | 17           | 9               | 4               | 1    |
| Disclosure of remuneration             | 17 | 22%    | 1               | 8            | 6               | 2               |      |
| Remuneration (Restricted shares)       | 9  | 20%    | 3               | 4            |                 | 1               | 1    |
| Remuneration policy in AoA             | 6  | 13%    | 4               |              | 2               |                 |      |
| Set clawback policy                    | 4  | 11%    | 1               | 3            |                 |                 |      |
| Other                                  | 5  | 23%    | 1               | 2            | 1               | 1               |      |
| Unwind cross-shareholdings             | 3  | 22%    |                 | 2            | 1               |                 |      |
| Forbid Advisor for ex-CEO              | 2  | 20%    |                 | 2            |                 |                 |      |
| Disclosure of Cost of Capital          | 4  | 18%    | 1               | 1            | 2               |                 |      |
| % of outside director in the board     | 12 | 16%    | 3               | 8            |                 | 1               |      |

Limit third-party allocation of shares proposed by AVI was not approved as it required 66.67% in favour

Takeover defense-related proposals and remuneration-related proposals (Disclosure of remuneration, set remuneration policy etc.) gained solid votes in favour

### List of proposals regarding takeover defense

|   | Shareholder           | Proposed company              | Description of the resolution          | Votes in favour |           |              |
|---|-----------------------|-------------------------------|--|-----------------|-----------|--------------|
|   |                       |                               |  | Percentage      | Threshold | o/w ajd. hld |
| 1 | Asset Value Investors | NC Holdings (NCホールディングス 6236) | Set takeover defense measure in AoA    | 56.59%          | 66.67%    | 22.25%       |
| 2 | Unearth International | Oi Electric (大井電気 6822)       | Abolition of takeover defense measures | 32.15%          | 50%       | 23.95%       |
| 3 | Nanahoshi Management  | YSK (焼津水産化学工業 2812)           | Abolition of takeover defense measures | 27.01%          | 50%       | 0.64%        |
| 4 | Kaname Capital        | FUKUDA DENSHI (フクダ電子 6960)    | Abolition of takeover defense measures | 24.32%          | 50%       | ND           |
| 5 | Kaname Capital        | FUKUDA DENSHI (フクダ電子 6960)    | Set takeover defense measure in AoA    | 23.76%          | 66.67%    | ND           |

## Calculation of votes in favour percentage

### Total votes cast

|                                      |
|--------------------------------------|
| Votes in favour                      |
| Votes against                        |
| Abstentions                          |
| Votes in attendance<br>(not counted) |

### Example: Calculation of votes in favour %

|           |           |        |        |  |
|-----------|-----------|--------|--------|--|
|           | 1,425,072 |        |        |  |
|           | <hr/>     |        |        |  |
| 1,425,072 | 9,997,874 | 25,153 | 33,793 |  |

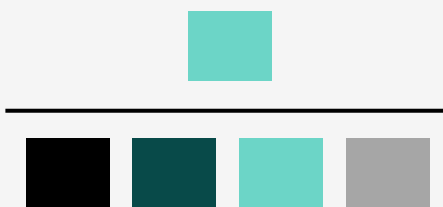
$$\text{Votes in favour percentage} = \text{Votes in Favour}^* \div \text{Total votes cast}$$

$$\text{Votes in favour percentage} = 12.41\%$$

- \* Votes in favour (numerator) don't contain votes in attendance. But the total votes cast (denominator) take the votes in attendance into account. Usually, companies don't disclose how many votes are in attendance. In other words, the calculation ignores incremental votes due to votes in attendance for the numerator but for the denominator. This is allowed by the guideline as a reasonable procedure.

## Calculation of adjusted % of votes in favour

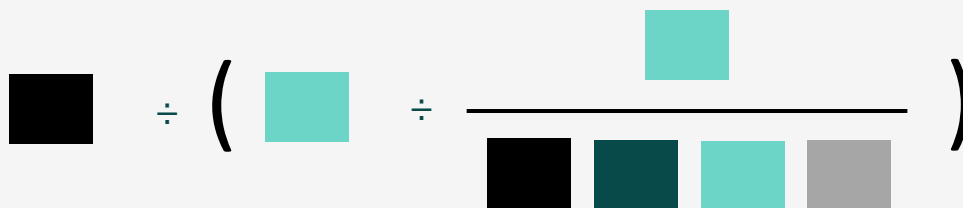
Votes against %



**Like-for-Like comparison requires adjusting those companies reporting only % of votes against.**

- Due to not disclosing the # of votes in attendance, the adjustment is not simply done by 100% - % of votes against
- The adjustment is applied to 8 companies, including YSK (2812), proposed by Nanahoshi Management

Adjusted votes in favour % from % of votes against



**Votes in Favour ÷ Estimated\* total votes cast**

- \* The total votes cast can be recalculated by reported information (# of votes against divided by % of votes against). Please find more detail on the previous page.

# About us

 Shareholder activism outsourcing service <https://nanahoshimgmt.co.uk/>

 Activist website campaign website (Optimize Yaizu) <https://www.optimizeyaizu.com/>

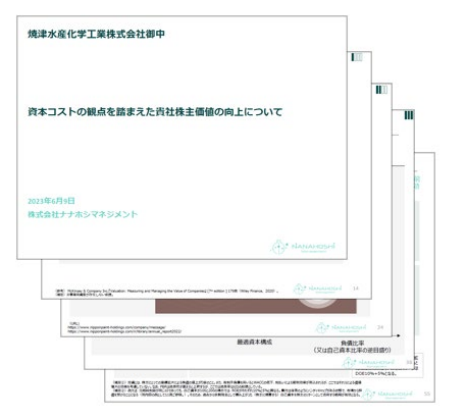
 Corporate website <https://nanahoshimgmt.com/>

 [@nanahoshimgmt](https://twitter.com/nanahoshimgmt)

 <https://www.linkedin.com/in/satoru-matsuhashi-08a6ba102/>

Contact Form

### Discussion with management



### Public letters




## Description of raw data available for request

We are happy to share the raw (pre-process) data below free of charge for those who are interested in our shareholder activism outsourcing service

Request the data

| Ticker | Japanese name | English name                         | Resolutions (shareholder proposals)      | Favour | Against | Abstention | Favour % | Against % | EDINET  | Notice of AGM   | Recalculation of Favour % from Against % |
|--------|---------------|--------------------------------------|--|--------|---------|------------|----------|-----------|---|---|--|
| 2812   | 焼津水産化学工業      | YAIZU SUISANKAGAKU INDUSTRY CO.,LTD. | 第3号議案 剰余金の処分の件                           | 17,269 | 67,672  | 0          | 19.01    | 74.50     | <a href="https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,">https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,</a> | <a href="https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/">https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/</a> | yes                                      |
| 2812   | 焼津水産化学工業      | YAIZU SUISANKAGAKU INDUSTRY CO.,LTD. | 第5号議案 取締役（監査等委員である取締役を除く）1名選任の件          | 13,249 | 71,705  | 0          | 14.60    | 79.00     | <a href="https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,">https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,</a> | <a href="https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/">https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/</a> | yes                                      |
| 2812   | 焼津水産化学工業      | YAIZU SUISANKAGAKU INDUSTRY CO.,LTD. | 第6号議案 剰余金の処分に係る定款一部変更の件                  | 18,672 | 66,282  | 0          | 20.56    | 73.00     | <a href="https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,">https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,</a> | <a href="https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/">https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/</a> | yes                                      |
| 2812   | 焼津水産化学工業      | YAIZU SUISANKAGAKU INDUSTRY CO.,LTD. | 第7号議案 気候変動リスク対応に関する定款一部変更の件              | 13,765 | 71,180  | 0          | 15.16    | 78.40     | <a href="https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,">https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,</a> | <a href="https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/">https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/</a> | yes                                      |
| 2812   | 焼津水産化学工業      | YAIZU SUISANKAGAKU INDUSTRY CO.,LTD. | 第8号議案 当社株式の大規模買付行為に関する対応方針（買収防衛策）廃止を求める件 | 24,510 | 60,444  | 0          | 27.01    | 66.60     | <a href="https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,">https://disclosure2.edinet-fsa.go.jp/WZEK0040.aspx?S100R3BV,,</a> | <a href="https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/">https://www.nikkei.com/nkd/disclosure/tdnr/20230531589210/</a> | yes                                      |

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