

Securities code: 8713

June 1, 2021

To our shareholders:

Yuichi Tao  
Director and President  
FIDEA Holdings Co. Ltd.  
3-1-24 Chuo, Aoba-ku, Sendai-shi, Miyagi

**NOTICE OF THE 12TH ORDINARY GENERAL MEETING OF SHAREHOLDERS AND THE  
GENERAL MEETING OF CLASS SHAREHOLDERS FOR SHAREHOLDERS OF COMMON STOCK**

We are pleased to announce the 12th Ordinary General Meeting of Shareholders and the General Meeting of Class Shareholders for shareholders of common stock of FIDEA Holdings Co. Ltd. (the “Company”), which will be held as described below.

At this Ordinary General Meeting of Shareholders, the Company has submitted Proposal 1 “Consolidation of shares” and Proposal 2 “Partial amendments to the Articles of Incorporation.” In these proposals, the Company requests resolutions pursuant to Article 322, paragraph (1) items (i) and (ii) of the Companies Act, and therefore the Company is also holding a General Meeting of Class Shareholders for shareholders of common stock.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or by the Internet. Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders, by 5:00 p.m., Wednesday, June 23, 2021 (Japan Standard Time).

- 1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (Japan Standard Time) (Reception will start from 9:00 a.m.)
- 2. Venue:** Shogin Honten Hall, Shonai Bank Headquarters  
1-9-7 Hon-cho, Tsuruoka-shi, Yamagata

**3. Purposes:**

**<Ordinary General Meeting of Shareholders>**

**Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 12th Term (from April 1, 2020 to March 31, 2021), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee
2. Non-Consolidated Financial Statements for the 12th Term (April 1, 2020 to March 31, 2021)

**Item to be resolved:**

- Proposal 1:** Consolidation of shares
- Proposal 2:** Partial amendments to the Articles of Incorporation
- Proposal 3:** Election of eleven (11) Directors

**<General Meeting of Class Shareholders for shareholders of common stock>**

- Proposal 1:** Consolidation of shares
- Proposal 2:** Partial amendments to the Articles of Incorporation

### **Measures against the novel coronavirus infection (COVID-19)**

Please review the guidance given below regarding the Company's measures against COVID-19 infection at the General Meeting of Shareholders and thank you in advance for your understanding and cooperation.

#### **<Requests to Shareholders>**

- We ask shareholders to please take the condition of your health into consideration up until the day of the meeting and by all means do not feel obliged to compromise your health.
- We ask seniors, people with preexisting medical conditions, and pregnant women, to please consider abstaining from attending the General Meeting of Shareholders.
- The option of exercising your voting rights for the General Meeting of Shareholders by postal mail or by the internet (\*) is available to you. Please proactively consider using either of those methods.

(\*) From the previous year, we offer "Smart Voting."

#### **<Requests to Shareholders Attending the General Meeting of Shareholders>**

- Attendees' temperatures will be taken in the vicinity of the entrance to the venue and livestreaming venues. Shareholders found to have a fever of 37.5 degrees or higher, or who appear to be unwell may be approached by staff members and asked to refrain from entering the venue. We thank you for your understanding in advance.
- Shareholders who attend in person are asked to use the alcohol disinfectant provided at the reception desk. Also, please wear a mask when arriving at the venue and while seated at the meeting.
- Note that shareholders will be seated at a distance from each other, and it may therefore be impossible to provide sufficient seating for all attendees. If the number of seats provided proves to be insufficient, please accept our sincere apologies.
- We plan to take a shorter time on the matters to be resolved and the matters to be reported at the General Meeting of Shareholders compared with typical years by carrying out these matters smoothly and efficiently. We thank you for your understanding and cooperation in advance.

#### **<Measures taken by the Company >**

- The Company's officers and staff members will also be wearing masks and be subject to a health screening, including having their temperature taken.
- Alcohol disinfectant will be provided at the reception desk and at various other locations within the venue.
- It is possible that only some of the Company's officers will be in attendance as some may choose to attend the meeting online.

We thank you in advance for your understanding and cooperation in these extraordinary circumstances.

As the situation continues to unfold, changes may be made to the above-mentioned. Please check the Company's website (<http://www.fidea.co.jp/>) from time to time for updates.

## Reference Documents for the General Meeting of Shareholders

### Proposal and Reference Items

#### Proposal 1: Consolidation of shares

##### 1. Objective of the consolidation of shares

The total number of issued shares of common stock of the Company is 181,421,226 shares as of March 31, 2021, which is a large amount when compared with companies listed on the First Section of the Tokyo Stock Exchange and other companies in the same industry that are listed on the Tokyo Stock Exchange. The level regarding the share price of the Company's common stock is 124 yen for share price and 12,400 yen for an investment unit (as of May 13, 2021). The investment unit is significantly below the level of investment unit considered desirable by the Tokyo Stock Exchange, Inc. in its Securities Listing Regulations in the range of "50,000 yen or more and less than 500,000 yen." When considered together with the level regarding the share price of the Company's common stock, the volatility in the share price for one yen, which is the lowest unit for share price fluctuation, is relatively high, making the share price likely to fluctuate significantly owing to speculative trading. The Company is aware that this has a considerable impact on shareholders and general investors. The Company has decided to conduct a consolidation of shares in order to improve this situation.

With this consolidation of shares, it is expected that the level regarding the share price of common stock after consolidation will be such that the investment unit is within the range of 50,000 yen or more and less than 500,000 yen, which is considered to be a desirable level of investment unit in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc., and at the same time, it is expected that per-share indicators (earnings, net assets, etc.) and the share price will also be easy to compare with other companies. Furthermore, in light of the public nature of each business, such as the banking business, which is the core business of the Group, the Company has the basic policy of providing stable dividends to shareholders while working to secure the management base from a long-term perspective as its dividend policy. The Company wishes to work to accumulate internal reserves based on business performance while looking to the early repayment of public funds, and it will make efforts for transition to a more robust management structure and the maintenance of stable payment of dividends. By conducting the consolidation of shares, the Company will be able to determine dividends per share with a greater level of granularity, which it believes will result in more flexibility in shareholder return measures.

##### 2. Details of the consolidation of shares

###### (1) Consolidation ratio

The Company proposes the consolidation of ten shares of the Company's common stock and preferred stock class B to one share.

In the event that fractional shares of less than one (1) share arise as a result of the consolidation of shares, the Company will either sell or purchase those shares and allocate payment to shareholders with fractional shares, in accordance with the ratio of fractional shares held, pursuant to the provisions of Article 235 of the Companies Act.

###### (2) Effective date of the consolidation of shares

October 1, 2021

###### (3) Total number of shares authorized to be issued on the effective date of the consolidation of shares

The total number of shares authorized to be issued by the Company shall be 63,000,000 shares, of which, the total number of authorized class shares of common stock shall be 56,000,000 shares, and the total number of authorized class shares of preferred stock class B shall be 7,000,000 shares.

###### (4) Other

The consolidation of shares shall take effect subject to Proposal 2 "Partial amendments to the Articles of Incorporation" being approved and adopted in its original form, as well as the proposal concerning the consolidation of shares and the proposal concerning partial amendments to the Articles of Incorporation under Proposal 2 being approved and adopted in their original forms at the General Meeting of Class

Shareholders for shareholders of common stock and the General Meeting of Class Shareholders for shareholders of preferred stock class B, which are to be held on June 24, 2021.

The Company requests that other necessary matters pertaining to the procedures for the consolidation of shares be wholly entrusted to the Board of Directors.

<Reference>

(1) Decline in number of shares as a result of the consolidation

1) Common stock

Total number of issued class shares prior to the consolidation (as of March 31, 2021)	181,421,226 shares
Decline in number of shares as a result of the consolidation	163,279,104 shares
Total number of issued class shares after the consolidation	18,142,122 shares

2) Preferred stock class B

Total number of issued class shares prior to the consolidation (as of March 31, 2021)	25,000,000 shares
Decline in number of shares as a result of the consolidation	22,500,000 shares
Total number of issued class shares after the consolidation	2,500,000 shares

(2) Total number of class shares authorized to be issued after the consolidation

Total number of class shares authorized to be issued prior to the consolidation (as of March 31, 2021)		Total number of class shares authorized to be issued after the consolidation (as of October 1, 2021)	
Common stock	560,000,000 shares	Common stock	56,000,000 shares
Preferred stock class B	70,000,000 shares	Preferred stock class B	7,000,000 shares
Total	630,000,000 shares	Total	63,000,000 shares

(3) Decline in number of shareholders as a result of the consolidation (common stock)

The composition of shareholders based on the shareholder register as of March 31, 2021, is as follows.

	Number of shareholders (proportion)		Number of shares held (proportion)	
Total number of shareholders	26,876	(100.00%)	181,389,502 shares	(100.00%)
Shareholders holding fewer than 10 shares	1,640	(6.10%)	3,804 shares	(0.002%)
Shareholders holding 10 or more shares but fewer than 100 shares	1,414	(5.26%)	55,459 shares	(0.03%)
Shareholders holding 100 or more shares but fewer than 1,000 shares	12,069	(44.91%)	3,659,246 shares	(2.02%)
Shareholders holding 1,000 or more shares	11,753	(43.73%)	177,670,993 shares	(97.95%)

\* The table above excludes 31,724 shares of treasury stock and one shareholder.

Based on the above composition of shareholders, 1,640 shareholders holding fewer than ten shares will lose their position as shareholders as a result of the consolidation of shares.

In addition, 12,069 shareholders who hold 100 or more shares but fewer than 1,000 shares will newly become holders of shares less than one unit only, and will thus lose the opportunity to purchase and sell shares on the exchange market as well as voting rights at a General Meeting of Shareholders.

Shareholders of the Company holding the Company's shares less than one unit, as described above, may request that the Company sells them a number of shares that equals one unit of shares when combined with the number of shares less than one unit held by the shareholder, in accordance with the provisions of Article 194, paragraph (1) of the Companies Act and Articles 9 and 10 of the Company's Articles of Incorporation. In addition, shareholders may also request that the Company purchases these shares less than one unit, in accordance with the provisions of Article 192, paragraph (1) of the same Act and Article 9 of the Company's Articles of Incorporation. For details of specific procedures, the Company requests that shareholders inquire with the securities firm they use for transactions concerning the Company's shares or the shareholder register administrator of the Company.

**Proposal 2:** Partial amendments to the Articles of Incorporation

1. Reasons for the amendments

- (1) Amendment to Articles of Incorporation pertaining to the consolidation of shares  
Based on the decline in the number of issued shares of common stock and preferred stock class B due to the consolidation of shares under Proposal 1 “Consolidation of shares,” Article 6 (Total Number of Shares Authorized to Be Issued) in the current Articles of Incorporation will be amended.
- (2) Deletion of text pertaining to preferred stock class A  
As the cancellation of preferred stock class A of the Company was completed on December 22, 2010, after acquisition of such shares as treasury stock, text related to preferred stock class A will be deleted and relative amendments will be made.
- (3) Supplementary provision pertaining to the effective date  
A supplementary provision will be established stating that these amendments will take effect on October 1, 2021, the effective date of the consolidation of shares. This supplementary provision will be deleted from the Articles of Incorporation when the consolidation of shares takes effect.
- (4) Amendments to the Articles of Incorporation taking effect  
The amendments to the Articles of Incorporation will take effect subject to Proposal 1 “Consolidation of shares” being approved and adopted in its original form, as well as the proposal concerning the consolidation of shares and the proposal concerning the partial amendments to the Articles of Incorporation being approved and adopted in their original forms at the General Meeting of Class Shareholders for shareholders of common stock and the General Meeting of Class Shareholders for shareholders of preferred stock class B, which are to be held on June 24, 2021.

2. Details of the amendments

The details of the amendments are as follows.

(Underlined text represents revisions)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter II Shares (Total Number of Shares Authorized to Be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>650,206,500</u> shares, and the total number of authorized class shares for each stock class shall be as follows. Common stock: <u>560,000,000</u> shares <u>Preferred stock class A: 20,206,500 shares</u> Preferred stock class B: <u>70,000,000</u> shares</p> <p>(Number of Shares per Share Unit) Article 8. The number of shares constituting one unit for each stock class of the Company shall be as follows. Common stock: 100 shares <u>Preferred stock class A: 100 shares</u> Preferred stock class B: 100 shares</p> <p style="text-align: center;"><u>CHAPTER II-2</u> <u>Preferred Stock Class A</u></p> <p><u>(Dividends of Surplus)</u> <u>Article 12-2.</u> <u>The Company shall not pay dividends of surplus for preferred stock class A.</u></p>	<p>Chapter II Shares (Total Number of Shares Authorized to Be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>63,000,000</u> shares, and the total number of authorized class shares for each stock class shall be as follows. Common stock: <u>56,000,000</u> shares <u>(Deleted)</u> Preferred stock class B: <u>7,000,000</u> shares</p> <p>(Number of Shares per Share Unit) Article 8. The number of shares constituting one unit for each stock class of the Company shall be as follows. Common stock: 100 shares <u>(Deleted)</u> Preferred stock class B: 100 shares</p> <p style="text-align: center;"><u>(Deleted)</u></p> <p style="text-align: center;"><u>(Deleted)</u></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Distribution of Residual Assets)</u></p> <p><u>Article 12-3.</u></p> <p>(1) <u>When distributing residual assets upon the dissolution of the Company, the Company shall pay 493 yen per share of preferred stock class A to shareholders of preferred stock class A (hereinafter, “preferred stock class A shareholders”) and registered pledgees of preferred stock class A (hereinafter, “preferred stock class A registered pledgees”) prior to shareholders of common stock (hereinafter, “common stock shareholders”) and registered pledgees of common stock (hereinafter, “common stock registered pledgees”), pari passu with shareholders of preferred stock class B (hereinafter, “preferred stock class B shareholders”) and registered pledgees of preferred stock class B (hereinafter, “preferred stock class B registered pledgees”).</u></p> <p>(2) <u>The Company shall not distribute residual assets to preferred stock class A shareholders or preferred stock class A registered pledgees other than that provided for in the preceding paragraph.</u></p>	<p><u>(Deleted)</u></p>
<p><u>(Voting Rights)</u></p> <p><u>Article 12-4.</u></p> <p><u>Preferred stock class A shareholders shall not possess any voting rights in regard to any matters to be resolved at a General Meeting of Shareholders.</u></p>	<p><u>(Deleted)</u></p>
<p><u>(Share Split or Consolidation of Shares, Right to Receive Allotment of Shares Offered, etc.)</u></p> <p><u>Article 12-5.</u></p> <p><u>Except as otherwise provided for by laws and regulations, the Company shall not conduct a share split or consolidation of shares of preferred stock class A. The Company shall not grant preferred stock class A shareholders the right to receive allotments of shares offered or share acquisition rights offered, nor shall it allot shares or share acquisition rights without contribution to these shareholders.</u></p>	<p><u>(Deleted)</u></p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER II-<u>3</u> Preferred Stock Class B (Class B Preferred Dividends) Article 12-<u>6</u></p> <p>(1) When paying dividends of surplus as provided for in Article 44, paragraph (1), the Company shall pay dividends (hereinafter, “Class B Preferred Dividends”) in cash to <u>preferred stock class B shareholders or the preferred stock class B registered pledgees</u> entered or recorded on the final shareholder register as of the record date associated with the dividends of surplus, prior to <u>common stock shareholders and common stock registered pledgees</u>, in an amount for each share of preferred stock class B, determined by resolution of the Board of Directors prior to the issuance of preferred stock class B based on an amount calculated by multiplying the amount equivalent to the amount paid in for one share of preferred stock class B (however, the amount shall be appropriately adjusted if share splits, allotments of shares without contribution, consolidation of shares, or similar events occur for preferred stock class B) by the ratio of preferred annual dividend on preferred stock class B established by resolution of the Board of Directors prior to the issuance of preferred stock class B (hereinafter, “Class B Annual Preferred Dividend Ratio”). The maximum Class B Annual Preferred Dividend Ratio shall be 8%. However, when interim Class B Preferred Dividends are paid to preferred stock class B shareholders or preferred stock class B registered pledgees in the fiscal year in which the record date is included as provided for in the next Article, the amount of the interim dividend shall be excluded from this dividend amount.</p> <p>(2) (Omitted) (3) (Omitted)</p> <p>(Interim Class B Preferred Dividends) Article 12-<u>7</u>. (Omitted)</p> <p>(Distribution of Residual Assets) Article 12-<u>8</u>.</p> <p>(1) When distributing residual assets, the Company shall pay cash in an amount for each share of preferred stock class B, determined by resolution of the Board of Directors prior to the issuance of preferred stock class B, taking into consideration the amount paid in per share of preferred stock class B, to preferred stock class B shareholders and preferred stock class B registered pledgees prior to common stock shareholders and common stock registered pledgees, <u>pari passu with preferred stock class A shareholders or preferred stock class A registered pledgees</u>.</p> <p>(2) (Omitted)</p> <p>(Voting Rights) Article 12-<u>9</u>. (Omitted)</p>	<p style="text-align: center;">CHAPTER II-<u>2</u> Preferred Stock Class B (Class B Preferred Dividends) Article 12-<u>2</u></p> <p>(1) When paying dividends of surplus as provided in Article 44, paragraph (1), the Company shall pay dividends (hereinafter, “Class B Preferred Dividends”) in cash to <u>shareholders of preferred stock class B (hereinafter, “preferred stock class B shareholders”) or registered pledgees of preferred stock class B (hereinafter, “preferred stock class B registered pledgees”)</u> entered or recorded on the final shareholder register as of the record date associated with the dividends of surplus, prior to <u>shareholders of common stock (hereinafter, “common stock shareholders”) and registered pledgees of common stock (hereinafter, “common stock registered pledgees”)</u>, in an amount for each share of preferred stock class B, determined by resolution of the Board of Directors prior to the issuance of preferred stock class B based on an amount calculated by multiplying the amount equivalent to the amount paid in for one share of preferred stock class B (however, the amount shall be appropriately adjusted if share splits, allotments of shares without contribution, consolidation of shares, or similar events occur for preferred stock class B) by the ratio of preferred annual dividend on preferred stock class B established by resolution of the Board of Directors prior to the issuance of preferred stock class B (hereinafter, “Class B Annual Preferred Dividend Ratio”). The maximum Class B Annual Preferred Dividend Ratio shall be 8%. However, when interim Class B Preferred Dividends are paid to preferred stock class B shareholders or preferred stock class B registered pledgees in the fiscal year in which the record date is included as provided for in the next Article, the amount of the interim dividend shall be excluded from this dividend amount.</p> <p>(2) (Unchanged) (3) (Unchanged)</p> <p>(Interim Class B Preferred Dividends) Article 12-<u>3</u>. (Unchanged)</p> <p>(Distribution of Residual Assets) Article 12-<u>4</u>.</p> <p>(1) When distributing residual assets, the Company shall pay cash in an amount for each share of preferred stock class B, determined by resolution of the Board of Directors prior to the issuance of preferred stock class B, taking into consideration the amount paid in per share of preferred stock class B, to preferred stock class B shareholders and preferred stock class B registered pledgees prior to common stock shareholders and common stock registered pledgees.</p> <p>(2) (Unchanged)</p> <p>(Voting Rights) Article 12-<u>5</u>. (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
(Put Options with Common Stock as Consideration) Article 12- <u>10</u> . (Omitted)	(Put Options with Common Stock as Consideration) Article 12- <u>6</u> . (Unchanged)
(Acquisition Clause with Cash as Consideration) Article 12- <u>11</u> . (Omitted)	(Acquisition Clause with Cash as Consideration) Article 12- <u>7</u> . (Unchanged)
(Acquisition Clause with Common Stock as Consideration) Article 12- <u>12</u> . (Omitted)	(Acquisition Clause with Common Stock as Consideration) Article 12- <u>8</u> . (Unchanged)
(Share Split or Consolidation of Shares and Allotment of Shares without Contribution) Article 12- <u>13</u> . (Omitted)	(Share Split or Consolidation of Shares and Allotment of Shares without Contribution) Article 12- <u>9</u> . (Unchanged)
(Newly established)	<u>Supplementary Provisions</u> <u>(Effective Date of Partial Amendments to the Articles of Incorporation)</u> <u>1. Amendments to Article 6, Article 8, and Article 12-2 to Article 12-13 of the Articles of Incorporation shall take effect on October 1, 2021.</u> <u>Furthermore, this paragraph shall be deleted when these amendments take effect.</u>



**Proposal 3:** Election of eleven (11) Directors

The terms of office of all ten (10) of the current Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eleven (11) Directors.

The candidates for Directors are as follows:

No.	Name	Current position and responsibilities in the Company	Candidate attribution
1	Yuichi Tao	Director and President	Reelection
2	Arata Ito	Director	Reelection
3	Hideo Togashi		New election
4	Satoru Nishibori	Outside Director and Chairman of the Board of Directors Chairman of the Nomination Committee and member of the Remuneration Committee Member of the Risk Committee	Reelection Outside Independent
5	Shoichi Ogawa	Outside Director Audit Committee Member	Reelection Outside Independent
6	Kyoichi Fukuda	Outside Director Chairman of the Remuneration Committee and member of the Nomination Committee Member of the Risk Committee	Reelection Outside Independent
7	Yutaka Hori	Outside Director Member of the Nomination Committee and member of the Remuneration Committee	Reelection Outside Independent
8	Hiroshi Konno	Outside Director Audit Committee Member	Reelection Outside Independent
9	Tomoko Nunoi	Outside Director Audit Committee Member and member of the Risk Committee	Reelection Outside Independent
10	Wataru Hirose		New election Outside Independent
11	Fumio Kai		New election Outside Independent

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Yuichi Tao (February 11, 1959) Reelection</p> <p>Tenure as Director 5 years</p>	<p>Apr. 1981      Joined The Fuji Bank, Limited</p> <p>Oct. 2002      General Manager, Nagano Chuo Branch, Mizuho Bank, Ltd.</p> <p>Nov. 2003      General Manager, Nagano Branch, General Manager, Nagano Chuo Branch, Mizuho Bank, Ltd.</p> <p>Feb. 2005      General Manager, Yotsuya Branch, Mizuho Bank, Ltd.</p> <p>Feb. 2007      General Manager, Aoyama Branch, Mizuho Bank, Ltd.</p> <p>Oct. 2008      General Manager, Aoyama Corporate Division, Aoyama Branch, Mizuho Bank, Ltd.</p> <p>Apr. 2009      Executive Officer, General Manager, Branch Banking Division, Mizuho Bank, Ltd.</p> <p>Apr. 2011      Managing Executive Officer, Mizuho Bank, Ltd.</p> <p>Apr. 2012      Deputy President and Representative Director, Mizuho Research Institute</p> <p>Apr. 2016      Adviser, FIDEA Holdings Co. Ltd.</p> <p>June 2016      Part-time Director, The Shonai Bank, Ltd.</p> <p>June 2016      Part-time Director, The Hokuto Bank, Ltd.</p> <p>June 2016      Director and President, FIDEA Holdings Co. Ltd. (present position)</p> <p>June 2019      Part-time Chairman, The Shonai Bank, Ltd.</p> <p>Apr. 2020      President and Representative Director, The Shonai Bank, Ltd. (present position)</p>	92,900 shares
<p>[Reasons for nomination as candidate for Director] Yuichi Tao has served positions of Managing Executive Officer for Mizuho Bank, Ltd. and Deputy President and Representative Director, Mizuho Research Institute. He has experience in the finance industry and a suitable level of insights in management having served as Director and President of FIDEA Holdings Co. Ltd. from 2016 and concurrently as President and Representative Director of The Shonai Bank, Ltd. from April 2020. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his abundant knowledge and experience on the Company's Board of Directors.</p> <p>[Special relationship of interest] There is no special relationship of interest between Yuichi Tao and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p>Arata Ito (July 22, 1961) Reelection</p> <p>Tenure as Director 2 years</p>	<p>Apr. 1985      Joined The Nippon Credit Bank, Ltd.</p> <p>July 1991      Joined The Ugo Bank, Ltd.</p> <p>Feb. 2004      General Manager, Yabase Branch, The Hokuto Bank, Ltd.</p> <p>Sept. 2005      General Manager, Akitanishi Branch, The Hokuto Bank, Ltd.</p> <p>July 2006      General Manager, Nikaho Branch, The Hokuto Bank, Ltd.</p> <p>July 2008      General Manager, Corporate Planning Division, The Hokuto Bank, Ltd.</p> <p>Nov. 2012      President and Representative Director, Minami Life Insurance Co., Ltd.</p> <p>June 2014      Executive Officer, General Manager, Yokote Branch, The Hokuto Bank, Ltd.</p> <p>June 2016      Managing Director, The Hokuto Bank, Ltd.</p> <p>Apr. 2017      Managing Executive Officer, FIDEA Holdings Co. Ltd.</p> <p>Apr. 2018      Director, Managing Executive Officer, The Hokuto Bank, Ltd.</p> <p>June 2018      Director, Senior Managing Executive Officer, The Hokuto Bank, Ltd.</p> <p>June 2018      Senior Managing Executive Officer, FIDEA Holdings Co. Ltd.</p> <p>Apr. 2019      President and Representative Director, The Hokuto Bank, Ltd. (present position)</p> <p>June 2019      Director, FIDEA Holdings Co. Ltd. (present position)</p>	72,300 shares
<p>[Reasons for nomination as candidate for Director] Arata Ito has broad business experience through his involvement in positions in control of sales divisions as Executive Officer of the Company and Director of The Hokuto Bank, Ltd., and has expertise in all areas of operation. He also has extensive knowledge in management through his experience as President and Representative Director of The Hokuto Bank, Ltd. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his knowledge and experience on the Company's Board of Directors.</p> <p>[Special relationship of interest] There is no special relationship of interest between Arata Ito and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p>Hideo Togashi (August 16, 1957) New election</p> <p>Tenure as Director - years</p>	<p>Apr. 1981      Joined The Shonai Bank, Ltd.</p> <p>July 2003      General Manager, Treasury and Securities Division, The Shonai Bank, Ltd.</p> <p>June 2010      Executive Officer, General Manager, Treasury and Securities Division, The Shonai Bank, Ltd.</p> <p>June 2014      Managing Executive Officer, General Manager, Treasury and Securities Division, The Shonai Bank, Ltd.</p> <p>June 2016      Managing Director, Managing Executive Officer, General Manager, Treasury and Securities Division, The Shonai Bank, Ltd.</p> <p>June 2017      Managing Director, Managing Executive Officer, General Manager, The Shonai Bank, Ltd.</p> <p>June 2017      Managing Executive Officer, FIDEA Holdings Co. Ltd.</p> <p>Apr. 2018      Director, Managing Executive Officer, The Shonai Bank, Ltd.</p> <p>Apr. 2020      Director, Senior Managing Executive Officer, The Shonai Bank, Ltd.</p> <p>Apr. 2020      Senior Managing Executive Officer, FIDEA Holdings Co. Ltd.</p> <p>Apr. 2021      Director, The Shonai Bank, Ltd. (present position)</p> <p>Apr. 2021      Senior Officer, FIDEA Holdings Co. Ltd. (present position)</p>	83,080 shares
<p>[Reasons for nomination as candidate for Director] Hideo Togashi has broad experience as Executive Officer of the Company and as the Director of The Shonai Bank, Ltd. responsible for securities management and branch operations over many years. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions, etc. of the Board of Directors by utilizing his abundant knowledge and advanced insight and expertise.</p> <p>[Special relationship of interest] There is no special relationship of interest between Hideo Togashi and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Satoru Nishibori (March 2, 1953) Reelection Outside Independent  Tenure as Director 6 years	Apr. 1975      Joined The Fuji Bank, Limited Apr. 2002      Executive Officer, General Manager, Financial Planning Division, Mizuho Corporate Bank, Ltd. Dec. 2002      Executive Officer, Senior Corporate Officer, Finance and Accounting Group, Mizuho Corporate Bank, Ltd. June 2004      Managing Director, Group Manager, Finance and Accounting Group, Mizuho Financial Group, Inc. Apr. 2008      Deputy President (Representative Director), Mizuho Bank, Ltd. Apr. 2009      President & CEO (Representative Director), Mizuho Bank, Ltd. June 2009      Member of the Board of Directors, Mizuho Financial Group, Inc. June 2011      Advisor, Mizuho Financial Group, Inc. June 2015      Outside Director, FIDEA Holdings Co. Ltd. June 2016      Part-time Director, The Shonai Bank, Ltd. (present position) June 2016      Outside Director, Chairman of the Board of Directors, FIDEA Holdings Co. Ltd. (present position) June 2017      Part-time Director, The Hokuto Bank, Ltd. (present position) Sept. 2017      Senior Advisor, Mizuho Bank, Ltd. Apr. 2019      Honorary Advisor, Mizuho Financial Group, Inc. (present position)	51,300 shares
[Reasons for nomination as candidate for Director and overview of expected roles] Satoru Nishibori has served as Managing Director and Group Manager of Finance and Accounting Group of Mizuho Financial Group, Inc., and as President & CEO of Mizuho Bank, Ltd. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using his broad experience and advanced insight as an executive manager in a role independent from executive management. If he is elected, in addition to contributing to increasing the effectiveness of the supervisory function of the Company's Board of Directors as the Chairman, the Company plans for him to be involved in the selection of officer candidates for the Company, to decide officer remuneration, etc., and to make decisions and provide oversight in risk governance from an objective and neutral standpoint as the chairman of the Nomination Committee and a member of the Remuneration Committee and the Risk Committee. [Special relationship of interest] There is no special relationship of interest between Satoru Nishibori and the Company.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p>Shoichi Ogawa (May 16, 1945) Reelection Outside Independent</p> <p>Tenure as Director 5 years</p>	<p>Apr. 1968      Joined Bank of Japan</p> <p>May 1990      Senior Examiner, Bank of Japan</p> <p>June 1995      Director, The Bank of Ikeda, Ltd.</p> <p>Oct. 1995      Managing Director, The Bank of Ikeda, Ltd.</p> <p>May 2000      Senior Managing Director, The Bank of Ikeda, Ltd.</p> <p>June 2002      Representative Director, Senior Managing Director, The Bank of Ikeda, Ltd.</p> <p>June 2005      Deputy President and Representative Director, The Bank of Ikeda, Ltd.</p> <p>Oct. 2009      Director, Senshu Ikeda Holdings, Inc.</p> <p>May 2010      Deputy President and Representative Director, The Senshu Ikeda Bank, Ltd.</p> <p>June 2011      Advisor, The Senshu Ikeda Bank, Ltd.</p> <p>June 2015      Outside Director, NSD CO., LTD.</p> <p>June 2016      Outside Director, FIDEA Holdings Co. Ltd. (present position)</p>	—
<p>[Reasons for nomination as candidate for Director and overview of expected roles]  Shoichi Ogawa has served as Senior Examiner at the Bank of Japan, Director of Senshu Ikeda Holdings, Inc., and Deputy President and Representative Director of The Senshu Ikeda Bank, Ltd. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using his broad experience and advanced insight as an executive manager in a role independent from executive management. If he is elected, the Company plans for him to be involved in the validity and effectiveness, etc. of the execution of duties from an objective and neutral standpoint as an Audit Committee Member.</p> <p>[Special relationship of interest]  There is no special relationship of interest between Shoichi Ogawa and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Kyoichi Fukuda (May 7, 1949) Reelection Outside Independent  Tenure as Director 5 years	<p>Apr. 1972      Joined The Yasuda Mutual Life Insurance Company</p> <p>Apr. 1994      General Manager, Kamata Office, The Yasuda Mutual Life Insurance Company</p> <p>Apr. 2000      Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company</p> <p>Apr. 2001      General Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company</p> <p>July 2002      Director, General Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company</p> <p>Apr. 2003      Director, General Manager, Planning Division, The Yasuda Mutual Life Insurance Company</p> <p>Jan. 2004      Director, General Manager, Corporate Marketing Division, Meiji Yasuda Life Insurance Company</p> <p>Apr. 2005      Managing Executive Officer, Meiji Yasuda Life Insurance Company</p> <p>Apr. 2006      Deputy President, Executive Officer, Meiji Yasuda Life Insurance Company</p> <p>July 2006      Deputy President and Director, Executive Officer, Meiji Yasuda Life Insurance Company</p> <p>July 2012      President and Representative Director, Meiji Yasuda General Insurance Co., Ltd.</p> <p>Apr. 2014      Advisor, Meiji Yasuda Life Insurance Company</p> <p>June 2016      Outside Director, FIDEA Holdings Co. Ltd. (present position)</p> <p>June 2018      Part-time Director, The Shonai Bank, Ltd. (present position)</p>	—
<p>[Reasons for nomination as candidate for Director and overview of expected roles]  Kyoichi Fukuda has served as Deputy President, Director, and Executive Officer of Meiji Yasuda Life Insurance Company and President and Representative Director of Meiji Yasuda General Insurance Co., Ltd. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using his broad experience and advanced insight as an executive manager in a role independent from executive management. If he is elected, the Company plans for him to be involved in the selection of officer candidates for the Company, to decide officer remuneration, etc., and to make decisions and provide oversight in risk governance from an objective and neutral standpoint as the Chairman of the Remuneration Committee and a member of the Nomination Committee and the Risk Committee.</p> <p>[Special relationship of interest]  There is no special relationship of interest between Kyoichi Fukuda and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Yutaka Hori (October 5, 1949) Reelection Outside Independent  Tenure as Director 5 years	Apr. 1979 Registered as an attorney at law with the Daiichi Tokyo Bar Association Dec. 1989 Representative Attorney, Hori Yutaka Law Office (currently Hori General Law Office) (present position) June 1999 Lecturer, International Corporate Strategy, Hitotsubashi University Apr. 2004 Vice President, Member of Council of Management, Chiba University (present position) Mar. 2005 Guest Professor, Law School, Chiba University Apr. 2010 Member of Public Interest Corporation Commission, Cabinet Office, Government of Japan Mar. 2016 Outside Director, Juki Corporation (present position) June 2016 Outside Director, FIDEA Holdings Co. Ltd. (present position) Aug. 2017 Outside Director, Pasona Group Inc.	—
[Reasons for nomination as candidate for Director and overview of expected roles] The Company proposes the election of Yutaka Hori as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using his broad experience and advanced insight and expertise, specifically his broad experience and advance expertise in overall legal affairs as an attorney, in a role independent from executive management. If he is elected, the Company plans for him to be involved in the selection of officer candidates for the Company and to decide officer remuneration, etc. from an objective and neutral standpoint as a member of the Nomination Committee and the Remuneration Committee. [Special relationship of interest] There is no special relationship of interest between Yutaka Hori and the Company.			



No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
8	Hiroshi Konno (May 25, 1947) Reelection Outside Independent  Tenure as Director 1 year	Apr. 1970 Jan. 1974 June 1976 June 2007  Feb. 2011 June 2020	Deloitte Haskins & Sells LLP accounting office Clover Certified Public Accountant Firm Shuwa Certified Public Accountant Firm External Audit & Supervisory Board Member, ACHILLES CORPORATION Hiroshi Konno Certified Public Accountant Office (present position) Outside Director, FIDEA Holdings Co. Ltd. (present position)	
	[Reasons for nomination as candidate for Director and overview of expected roles] Hiroshi Konno has broad experience as a certified public accountant and many years of experience as an External Audit & Supervisory Board Member of ACHILLES CORPORATION. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using his broad experience and advanced insight and expertise in a role independent from executive management. If he is elected, the Company plans for him to be involved in the validity and effectiveness, etc. of the execution of duties from an objective and neutral standpoint as an Audit Committee Member. [Special relationship of interest] There is no special relationship of interest between Hiroshi Konno and the Company.			
9	Tomoko Nunoi (January 29, 1951) Reelection Outside Independent  Tenure as Director 1 year	Feb. 1986 June 1994  June 1996  May 2000 Mar. 2002 July 2006 Aug. 2008 Jan. 2010 Jan. 2016 June 2020	Joined Paribas (London) Capital Markets Head of Market Risk Management, Paribas Capital Markets, Tokyo Branch Chief Administrative Officer, Paribas Group, Tokyo Chief Administrative Officer, BNP Paribas Group, Tokyo Head of Human Resources, BNP Paribas CIB, Paris Head of Compliance, BNP Paribas CIB, Paris Chief Administrative Officer, BNP Paribas, Tokyo Branch Chief of Staff, BNP Paribas Securities (Japan) Limited Executive Director, Earthwatch Japan (present position) Outside Director, FIDEA Holdings Co. Ltd. (present position)	
	[Reasons for nomination as candidate for Director and overview of expected roles] Tomoko Nunoi has served as the global Head of Compliance and Human Resources at the BNP Paribas Group, has experience in a wide range of financial operations at the Group, and currently serves as the Executive Director of Earthwatch Japan, an International Environmental NGO and authorized NPO in Japan. The Company proposes her election as Outside Director because it expects her to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by using her broad experience, advanced insight, and international awareness developed in her work at overseas companies in a role independent from executive management. If she is elected, the Company plans for her to be involved in the validity and effectiveness, etc. of the execution of duties and to make decisions and provide oversight in risk governance from an objective and neutral standpoint as the Chairman of the Audit Committee and a member of the Risk Committee. [Special relationship of interest] There is no special relationship of interest between Tomoko Nunoi and the Company.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
10	Wataru Hirose (September 22, 1954) New election Outside Independent  Tenure as Director - years	Apr. 1977	Joined Yamagata Prefectural Government	—
		Apr. 2010	General Manager, Commerce, Labor & Tourism Department, Yamagata Prefectural Government	
		Apr. 2012	General Manager, Planning & Development Department, Yamagata Prefectural Government	
		Apr. 2014	Enterprise Manager, Yamagata Prefectural Government	
		Apr. 2016	Educational Manager, Education Committee, Yamagata Prefectural Government	
		Apr. 2019	Chairman, Yamagata Constructional Engineering Center (present position)	
		June 2020	Outside Director, The Shonai Bank, Ltd. (present position)	
		May 2021	Outside Audit & Supervisory Board Member, Yamazawa Co., Ltd. (present position)	
	<p>[Reasons for nomination as candidate for Director and overview of expected roles]  Wataru Hirose has served as the General Manager of the Commerce, Labor &amp; Tourism Department, the General Manager of the Planning &amp; Development Department, and the Educational Manager of the Education Committee at the Yamagata Prefectural Government, as well as the Chairman of the Yamagata Constructional Engineering Center from 2019 and as Outside Director of The Shonai Bank, Ltd. from 2020. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors using his broad experience cultivated in his duties at the Yamagata Prefectural Government and his advanced insight and administrative awareness in vendor support in a role independent from executive management. If he is elected, the Company plans for him to be involved in the selection of officer candidates for the Company and to decide officer remuneration, etc. from an objective and neutral standpoint as a member of the Nomination Committee and the Remuneration Committee.</p> <p>[Special relationship of interest]  There is no special relationship of interest between Wataru Hirose and the Company.</p>			
11	Fumio Kai (June 23, 1959) New election Outside Independent  Tenure as Director - years	Apr. 1983	Joined Bank of Japan	—
		June 2007	Deputy Director General, Financial Systems Dept. (in charge of Review and Planning), Bank of Japan	
		Oct. 2008	General Manager, Akita Branch, Bank of Japan	
		Apr. 2013	General Manager, Deposit Insurance Department, Deposit Insurance Corporation of Japan	
		June 2015	Full-Time Auditor, Chuo Labour Bank	
		June 2019	Policy Research Director, The Tokyo Foundation for Policy Research (present position)	
	<p>[Reasons for nomination as candidate for Director and overview of expected roles]  Fumio Kai has served as Deputy Director General of the Financial Systems Dept. (in charge of Review and Planning) at the Bank of Japan, as the General Manager of the Akita Branch of the Bank of Japan, and as the General Manager of the Deposit Insurance Department of the Deposit Insurance Corporation of Japan. The Company proposes his election as Outside Director because it expects him to contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors using his broad experience and advanced insight in a role independent from executive management. If he is elected, the Company plans for him to be involved in the validity and effectiveness, etc. of the execution of duties and to make decisions and provide oversight in risk governance from an objective and neutral standpoint as an Audit Committee Member and a member of the Risk Committee.</p> <p>[Special relationship of interest]  There is no special relationship of interest between Fumio Kai and the Company.</p>			

- Notes
1. Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroshi Konno, Tomoko Nunoi, Wataru Hirose and Fumio Kai are candidates for Outside Director provided for in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.
  2. The Company has entered into agreements with Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroshi Konno and Tomoko Nunoi based on the provision in Article 427, paragraph (1) of the Companies Act to limit

liability for damages under Article 423, paragraph (1) of the Companies Act. Under these agreements, the maximum amount of liability for damages is the upper limit of the total amounts listed in each item of Article 425, paragraph (1) of the Companies Act, and the Company intends to continue these agreements if the reelection of Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroshi Konno and Tomoko Nunoi is approved. The Company also intends to enter into the same type of agreement with Wataru Hirose and Fumio Kai if their election is approved.

3. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and a summary of the details of the policy is provided on page 40 (in Japanese only). If the election of each candidate is approved at the meeting, the Company plans to include each of them as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.
4. The number of the Company's common shares owned is based on ownership as of the date of preparation of this Notice of Convocation and the Reference Documents for the General Meeting of Shareholders.
5. The Company has registered Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroshi Konno and Tomoko Nunoi as Independent Directors based on the stipulations of Tokyo Stock Exchange, Inc. The Company intends to continue the registration of Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroshi Konno and Tomoko Nunoi as Independent Directors if their reelection is approved. Wataru Hirose and Fumio Kai satisfy the requirements for an Independent Director as provided for by Tokyo Stock Exchange, Inc., and if their election is approved, the Company intends to register Wataru Hirose and Fumio Kai as Independent Directors. Please refer to page 21 for Independence Criteria of the Company

#### Skill Matrix for Candidates for Director

Of the skills possessed by each candidate for Director, fields with special expectations are as follows.

	Corporate management	Finance	Financial affairs and accounting	Risk management	Legal affairs and compliance	Business strategy	Regional economics
Yuichi Tao	●	●				●	●
Arata Ito	●	●				●	●
Hideo Togashi		●		●			●
Satoru Nishibori	●	●	●	●		●	
Shoichi Ogawa	●	●				●	
Kyoichi Fukuda	●	●		●	●		
Yutaka Hori					●		
Hiroshi Konno			●				
Tomoko Nunoi		●		●	●		
Wataru Hirose							●
Fumio Kai		●		●			

\*The above chart does not represent all the knowledge possessed by the candidates.

## **Reference Documents for the General Meeting of Class Shareholders**

### **Proposal 1:** Consolidation of shares

The content of this proposal is the same as that of Proposal 1 “Consolidation of shares” in the Reference Documents for the General Meeting of Shareholders for the 12th Ordinary General Meeting of Shareholders.

The consolidation of shares shall take effect subject to Proposal 2 “Partial amendments to the Articles of Incorporation” being approved and adopted in its original form, as well as the proposal concerning the consolidation of shares and the proposal concerning partial amendments to the Articles of Incorporation under Proposal 2 being approved and adopted in their original forms at the 12th Ordinary General Meeting of Shareholders and the General Meeting of Class Shareholders for shareholders of preferred stock class B, which are to be held on June 24, 2021.

The Company requests that other necessary matters pertaining to the procedures for the consolidation of shares be wholly entrusted to the Board of Directors.

### **Proposal 2:** Partial amendments to the Articles of Incorporation

The content of this proposal is the same as that of Proposal 2 “Partial amendments to the Articles of Incorporation” in the Reference Documents for the General Meeting of Shareholders for the 12th Ordinary General Meeting of Shareholders.

The consolidation of shares shall take effect subject to Proposal 1 “Consolidation of shares” being approved and adopted in its original form, as well as the proposal concerning the consolidation of shares and the proposal concerning partial amendments to the Articles of Incorporation being approved and adopted in their original forms at the 12th Ordinary General Meeting of Shareholders and the General Meeting of Class Shareholders for shareholders of preferred stock class B, which are to be held on June 24, 2021.

<Reference> FIDEA Group's Independence Criteria for Outside Directors

1. Party related to the Group
  - (1) A person who is not an executive director, executive officer, corporate officer, or other employee of the Group (hereinafter, "executive") and who has not been an executive in the past.
  - (2) A party who is not currently a major shareholder (a shareholder with possession of at least 10% of the voting rights) and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.
2. Party related as a supplier/client
  - (1) A party who considers the Group to be a major supplier/client and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.
  - (2) A party who is not currently a major supplier/client of the Group and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.
  - (3) A person who is not an executive of an organization that receives donations or subsidies exceeding a certain amount from the Group (10 million yen per annum on average over the past three business years or 30% of the total annual average costs of the said organization, whichever is greater).
  - (4) A person who is not an officer of a company, or said company's parent company or subsidiary, that accepts a Director from the Group.
3. Specialized service provider
  - (1) Not currently the Group's accounting auditor or employee of said accounting auditor and who has not been in charge of the audit of the Group as said employee over the most recent five-year period.
  - (2) A person who has not received cash or other financial interests of 10 million yen or greater annually on average over the past three years as an attorney at law or consultant from the Group, excluding remuneration for officers.
4. Other
  - (1) A person who is not the spouse or relative within the second degree of kinship of the person cited in 1. to 3. above.
  - (2) A person without constant concern of a substantial conflict of interest with the Company's overall general shareholders due to reasons outside of those considered above.
  - (3) Major suppliers/clients stipulated in 2. above shall be defined by the criteria of 2% or more of its consolidated sales in each of the most recent three business years (consolidated ordinary profit in case of the Company).
  - (4) Even a person who does not fulfill either of the conditions set forth in 2. to 4-(1) above, if the Company believes that the person is suitable as Outside Director with sufficient independence from the Company, because of his/her personality and insight, the person can be nominated as candidate for Outside Director under the condition that he/she fulfills the requirements of Outside Director under the Companies Act and the Company explains externally the reason for considering the person suitable as Outside Director with sufficient independence from the Company.