

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 9628

June 3, 2025

Dear Shareholders,

Satoshi Harishima
President and Representative Director
SAN HOLDINGS, INC.
Osaka Head Office:
6-39, Tenjimbashi 4-chome, Kita-ku, Osaka-shi
Main Office:
6-11, Kitahama 2-chome, Chuo-ku, Osaka-shi

Notice of the 96th Annual General Meeting of Shareholders

We hereby announce the 96th Annual General Meeting of Shareholders of SAN HOLDINGS, INC. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and it has posted the information on each of the following websites.

[The Company’s website]

<https://www.san-hd.co.jp> (in Japanese)

(Please access the above website to view the information.)

[Website for posted informational materials for the general meeting of shareholders]

<https://d.sokai.jp/9628/teiji/> (in Japanese)

(Please access the above website to view the information.)

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(To access this information, access the TSE website by using the internet address given above, enter “SAN HOLDINGS” in “Issue Name (company name)” or the Company’s securities code “9628” (single byte) in “Code,” and click “Search,” and then select “Basic information” and “Documents for public inspection/PR information.” You can find the information in the “Notice of the General Meeting of Shareholders/Informational materials for General Meeting of Shareholders” section in “Documents for public inspection.”)

If you are unable to attend the meeting, you may exercise your voting rights by electromagnetic means (via the internet, etc.) or in writing (by mail). Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. Tuesday, June 24, 2025 (JST), in accordance with the following instructions.

The Company will conduct a live webcast of this General Meeting of Shareholders. For specific details, please refer to the enclosed leaflet. (This meeting will be held in Japanese only; no interpretation will be provided.)

In consideration of fairness for shareholders who attend the General Meeting of Shareholders and shareholders who have difficulty attending the meeting, we will not be providing gifts at the General Meeting of Shareholders. We would like to ask for your understanding on this matter.

1. **Date and Time:** Wednesday, June 25, 2025, at 10:00 a.m. (JST)
2. **Place:** Venue: Mahoroba
Senri Kaikan, KOEKISHA CO., LTD.
3-10, Momoyamadai 5-chome, Suita-shi, Osaka
3. **Purpose of the Meeting**
Matters to be reported:
 1. Business Report and Consolidated Financial Statements for the 96th Fiscal Year (from April 1, 2024, to March 31, 2025), as well as the audit reports of the Accounting Auditor and the Audit & Supervisory Board for Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the 96th Fiscal Year (from April 1, 2024, to March 31, 2025)**Matters to be resolved:**
Proposal 1: Appropriation of Surplus
Proposal 2: Amendment to the Articles of Incorporation
Proposal 3: Election of Six Directors
Proposal 4: Revision of Remuneration for Directors (Excluding Outside Directors) to Grant Restricted Shares Thereto
Proposal 5: Extension of Countermeasures to Large-Scale Purchases of the Company's Stocks (takeover response policy)
4. **Instructions for Exercising Voting Rights**
 - (1) Exercise of voting rights by electromagnetic means (via the internet, etc.)
If you exercise your voting rights by electromagnetic means (via the internet, etc.), exercise your voting rights after reviewing the "Information About Exercising Your Voting Rights by Electromagnetic Means (the Internet etc.)" on pages 4 to 5 by 5:30 p.m. on Tuesday, June 24, 2025 (JST).
 - (2) Exercise of voting rights in writing (by mail)
 - (i) Please indicate your approval or disapproval of each proposal in the enclosed voting form and return it so that it arrives no later than 5:30 p.m. on Tuesday, June 24, 2025 (JST).
 - (ii) If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the voting form, we will treat it as if you indicated your approval.
 - (3) If you exercise your voting rights in duplicate both via the internet, etc. and in writing (by mail), the Company will only deem your vote via the internet, etc. as valid. Also, if you exercise your voting rights multiple times via the internet, etc. or in duplicate both on a personal computer and a smartphone, the Company will only deem your final vote to be valid.

(List of Requests)

- When attending the meeting, please submit the enclosed voting form at the reception desk.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the above websites.
- For this General Meeting of Shareholders, the Company will deliver paper-based documents stating the items subject to measures for electronic provision to all shareholders whether they have requested delivery or not. However, the following items subject to measures for electronic provision are omitted from the paper-based documents to be delivered in accordance with the provisions of laws and regulations and Article 17 paragraph 2 of the Company's Articles of Incorporation: "System to ensure the properness of operations" and "Overview of operational status of system to ensure the properness of operations" of the Business Report, "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Consolidated Financial Statements" of Consolidated Financial Statements and "Statement of Changes in Shareholders' Equity" and "the Notes to the Non-consolidated Financial Statements" of Non-consolidated Financial Statements.

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board Members in preparing the Audit Report include "System to ensure the properness of operations" and "Overview of operational status of system to ensure the properness of operations" of the Business Report, "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Consolidated Financial Statements" of Consolidated Financial Statements and "Statement of Changes in Shareholders' Equity" and "the Notes to the Non-consolidated Financial Statements" of Non-consolidated Financial Statements, which will be posted on each of the above websites, in addition to the documents attached to this Notice of Convocation.

- Should there be any significant changes regarding the holding or operation of the General Meeting of Shareholders due to future circumstances, the revised versions will be published in writing or will be posted on the Company's website (<https://www.san-hd.co.jp>). Please check what the status is before coming.

Information About Exercising Your Voting Rights by Electromagnetic Means (Internet, etc.)

When exercising your voting rights by electromagnetic means (via the internet, etc.), please note the following items.

1. Exercising Your Voting Rights via the Internet, etc.

(1) Website for exercising voting rights

Exercising your voting rights via the internet, etc. may be conducted only by accessing the following website, which is designated by the Company.

Website for exercising voting rights: <https://www.web54.net>

(2) How to exercise your voting rights

(i) Voting by computer

Please access the above website; enter the “voting rights exercise code” and “password” that are stated on the enclosed voting form; and follow the instructions on the screen to enter your approval or disapproval.

(ii) Voting by smartphone

Please scan the “voting website QR code” on the enclosed voting form, and enter your approval or disapproval on the voting-by-smartphone website, which does not require entering a “voting rights exercise code” or “password.”

Note that changing your vote once you have executed your voting rights requires re-scanning the QR code and entering the “voting rights exercise code” and “password” stated on your voting form. * “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

(3) The handling of voting rights

(i) Your voting rights must be exercised by 5:30 p.m. on Tuesday, June 24, 2025 (JST). It is recommended to vote at an early stage.

(ii) If you exercise your voting rights in duplicate both via the internet, etc. and in writing (by mail), the Company will only deem your vote via the internet, etc. as valid. Also, if you exercise your voting rights multiple times via the internet, etc. or in duplicate both on a personal computer and a smartphone, the Company will only deem your final vote to be valid.

(iii) All fees payable to internet service providers and telecommunication carriers (such as connection fees) for accessing the voting website are to be borne by shareholders.

(iv) You may not be able to use the voting rights exercise website depending on the internet environment, etc. of your computer or smartphone.

(4) The handling of passwords and voting rights exercise codes

(i) The password is important information for identifying each person is a qualified shareholder with voting rights. Therefore, please handle your password as carefully as you handle your seal and PIN numbers.

(ii) The password will become unavailable if you input the wrong data a certain fixed number of times. To issue a new password, follow the instructions on the screen.

(iii) The voting rights code that is listed on the enclosed voting form can only be used for this General Meeting of Shareholders.

(5) Contact information for inquiries about the operation of computers, etc.

(i) If you have any technical inquiries regarding the operation of a PC, etc. for voting on this site, please contact the following:

Dedicated phone line for Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

[Telephone number] 0120-652-031 (Business hours: 9:00 a.m. – 9:00 p.m. (JST))

(ii) If you have any other inquiries, please contact the following:

a Shareholders with accounts at securities companies

Please contact your securities company.

b Shareholders without accounts at securities companies (shareholders with special accounts)
Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank,
Limited

[Telephone number] 0120-782-031 (Business hours: 9:00 a.m. – 5:00 p.m. (JST), excluding weekends and holidays)

2. Electronic Voting Platform

Nominee shareholders, such as trust and custody services banks (including standing proxies), may apply in advance to use the Electronic Voting Platform operated by ICJ Inc., a joint venture company founded by Tokyo Stock Exchange, Inc. and other entities. In this case, such shareholders can use the ICJ platform in addition to the exercise of voting rights via the internet, etc. in 1. above as a means to exercise their voting rights by electromagnetic means at the General Meeting of Shareholders of the Company.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

The Company considers the return of profits to shareholders to be one of the most important management issues. It has adopted a progressive dividend policy and, as a principle, does not reduce dividends, while committing to maintain or continuously increase dividend payments. This approach comprehensively takes into account consolidated business results, financial conditions, securing internal reserves for investments in medium- to long-term growth, financial soundness, etc.

In accordance with this policy, the Company proposes to pay year-end dividends for the fiscal year as follows:

Year-end dividends

i) Type of dividend property

To be paid in cash

ii) Allotment of dividend property and aggregate amount thereof

The Company proposes to pay a dividend of ¥25 per common share of the Company.

In this event, the total dividends will be ¥518,094,500.

The Company conducted a 2-for-1 common stock split on October 1, 2023. After the stock split, the equivalent annual dividend per share for the previous fiscal year was ¥23.50 per share. For the current fiscal year, the interim dividend (¥12 per common share of the Company), together with the year-end dividend, results in an annual dividend of ¥37 per common share of the Company, representing an increase of ¥13.50 per share compared to the previous fiscal year.

iii) Effective date of dividends of surplus

The effective date of dividends will be June 26, 2025.

Proposal 2: Amendment to the Articles of Incorporation

1. Reasons for the Amendments

The Company has set a fiscal year to start on April 1 and end on March 31 of the following year every year. However, due to the nature of our businesses, we have a busy season every year from December until March of the following year. Therefore, to ease the influence associated with the seasonal changes over the business performance, including operating revenue, and improve the efficiency of our group's business operation with appropriate business management, the Company proposes to change the term of a fiscal year to start on September 1 and end on August 31 of the following year every year by making necessary amendments to the current Articles of Incorporation, which are Article 13 (Record date), Article 14 (Timing of convocation), Article 33 (Fiscal year) and Article 34 (Dividends of surplus). Due to the change of fiscal year, the period of the 97th fiscal year shall be 17 months from April 1, 2025, to August 31, 2026. Therefore, as transitional measures, supplementary provisions will be issued.

The amendments of the Articles of Incorporation under this proposal shall become effective at the conclusion of this General Meeting of Shareholders.

2. Details of the Amendments

The details of the amendments are as follows.

(Underlined parts are amended.)

Pre-amended Articles of Incorporation	Proposed Amendments
(Record date) Article 13 1 The Company's record date for voting at the Annual General Meeting of Shareholders shall be <u>March</u> 31 every year. 2 (Omitted)	(Record date) Article 13 1 The Company's record date for voting at the Annual General Meeting of Shareholders shall be <u>August</u> 31 every year. 2 (Unchanged)
(Timing of convocation) Article 14 1 The Company's Annual General Meeting of Shareholders shall be convened in <u>June</u> every year. 2 (Omitted)	(Timing of convocation) Article 14 1 The Company's Annual General Meeting of Shareholders shall be convened in <u>November</u> every year. 2 (Unchanged)
(Fiscal year) Article 33 The Company's fiscal year shall be from <u>April</u> 1 to <u>March</u> 31 of the following year every year.	(Fiscal year) Article 33 The Company's fiscal year shall be from <u>September</u> 1 to <u>August</u> 31 of the following year every year.
(Dividends of surplus) Article 34 1 (Omitted) 2 In addition to the preceding paragraph, the Company may pay interim dividends to shareholders or registered pledgees of shares appearing or recorded on the shareholders' register as of <u>September 30</u> every year based on the resolution of the Board of Directors.	(Dividends of surplus) Article 34 1 (Unchanged) 2 In addition to the preceding paragraph, the Company may pay interim dividends to shareholders or registered pledgees of shares appearing or recorded on the shareholders' register as of <u>the last date of February</u> every year based on the resolution of the Board of Directors.
(Newly Established) (Newly Established)	<u>Supplementary Provisions</u> <u>(Transitional measures for the record date of the first General Meeting of Shareholders after the amendment due to the change of fiscal year)</u> <u>Article 1</u> <u>Notwithstanding the provision of Article 13 (Record date), the record date for voting at the Annual General Meeting of Shareholders of the 97th fiscal year, which starts on April 1, 2025, shall be August 31, 2026.</u> <u>(Transitional measures for the timing of the convocation of the first Annual General Meeting of Shareholders after the amendment due to the change of fiscal year)</u>

Pre-amended Articles of Incorporation	Proposed Amendments
(Newly Established)	<p><u>Article 2</u> Notwithstanding the provision of Article 14 (Timing of convocation), the Annual General Meeting of Shareholders for the 97th fiscal year, which starts on April 1, 2025, will be convened in November 2026. (Transitional measures for the term of office for Directors due to the change of fiscal year)</p>
(Newly Established)	<p><u>Article 3</u> Notwithstanding the provision of Article 21 (Term of office), the term of office for Directors who are elected at the 96th Annual General Meeting of Shareholders to be held on June 25, 2025, shall be by the end of the Annual General Meeting of Shareholders for the 97th fiscal year, which starts on April 1, 2025. (Transitional measures for the term of office for an Accounting Auditor due to the change of fiscal year)</p>
(Newly Established)	<p><u>Article 4</u> Unless otherwise resolved, the term of office for an Accounting Auditor who is reelected at the 96th Annual General Meeting of Shareholders to be held on June 25, 2025, shall expire at the conclusion of the 97th Annual General Meeting of Shareholders, which starts on April 1, 2025. (Transitional measures for the first fiscal year after the amendment due to the change of fiscal year)</p>
(Newly Established)	<p><u>Article 5</u> Notwithstanding the provision of Article 33 (fiscal year), the 97th fiscal year shall be 17 months from April 1, 2025, to August 31, 2026. (Transitional measures for the first record date of the dividends of surplus after the amendment due to the change of fiscal year)</p>
(Newly Established)	<p><u>Article 6</u> 1 Notwithstanding the provision of Article 34 (Dividends of surplus), the record date for the year-end dividends of the 97th fiscal year, which starts on April 1, 2025, shall be August 31, 2026. 2 Notwithstanding the provision of Article 34 (Dividends of surplus), the record date for the interim dividends of the 97th fiscal year, which starts on April 1, 2025, shall be December 31, 2025.</p>
(Newly Established)	<p><u>Article 7</u> The Company shall delete these supplementary provisions after the conclusion of the 97th Annual General Meeting of Shareholders, which starts on April 1, 2025.</p>

Proposal 3: Election of Six Directors

At the conclusion of this shareholders meeting, the terms of office of all six Directors will expire.

Therefore, the Company proposes the election of six Directors.

The candidates for Director are as follows:

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
1	<p>Yuichi Noro (August 30, 1962)</p> <p>Attendance at the Board of Directors meetings 18/18 (100%)</p> <p>Reelection</p>	<p>Apr. 1986 Joined American Life Insurance Company</p> <p>July 1994 Temporarily transferred to AIG Marketing (AIG Company, Ltd.)</p> <p>Apr. 2001 Temporarily transferred to AIG Star Life Insurance Co., Ltd.</p> <p>June 2004 General Manager of Customer Strategy Department of American Life Insurance Company</p> <p>Apr. 2006 Joined the Company Executive Officer, Assistant Manager of Strategic Marketing Planning Department</p> <p>June 2007 Director, Assistant Manager of Strategic Marketing Planning Department</p> <p>June 2008 Managing Director</p> <p>June 2009 Senior Managing Director</p> <p>June 2011 Director and Vice President</p> <p>June 2013 Vice President and Representative Director</p> <p>Apr. 2016 President and Representative Director</p> <p>Apr. 2019 Chairman and Representative Director (current position)</p> <p>Oct. 2024 Director of Kizuna Holdings Corp. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Chairman and Representative Director of KOEKISHA CO., LTD.</p> <p>Chairman and Representative Director of Life Forward CO., LTD.</p> <p>Director of Kizuna Holdings Corp.</p>	119,900
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Yuichi Noro, a candidate for Director, has led the management of our group towards the enhancement of corporate value as President and Representative Director since April 2016, as Chairman and Representative Director since April 2019, as Chairman and Representative Director of Life Forward CO., LTD. since April 2020, and as Chairman and Representative Director of KOEKISHA CO., LTD. since April 2023. The Company requests his election in order to utilize his abundant experience and insights in the management of our group.</p>			

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
2	<p>Satoshi Harishima (September 25, 1962)</p> <p>Attendance at the Board of Directors meetings 18/18 (100%)</p> <p>Reelection</p>	<p>Apr. 1987 Joined Recruit Computer Print Co., Ltd. (now Recruit Co., Ltd.)</p> <p>Apr. 1999 Joined the Company</p> <p>Oct. 2003 Assistant Manager of Osaka Sales Department</p> <p>Apr. 2005 Executive Officer</p> <p>June 2006 Director in charge of subsidiaries and associates (KOEKISHA CO., LTD., SOU-SEN CORPORATION)</p> <p>June 2007 Managing Director in charge of subsidiaries and associates (KOEKISHA CO., LTD., SOU-SEN CORPORATION)</p> <p>June 2009 Senior Managing Director in charge of Procurement Administrative Department and Project Management</p> <p>June 2011 Director and Vice President in charge of Human Resources and Procurement</p> <p>June 2013 Vice President and Representative Director in charge of Internal Control and Compliance</p> <p>Apr. 2015 Vice President and Representative Director</p> <p>Apr. 2019 President and Representative Director (current position)</p> <p>Apr. 2025 Director and Chairman of Kizuna Holdings Corp. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and Representative Director of KOEKISHA CO., LTD.</p> <p>Director of SOU-SEN CORPORATION</p> <p>Director of TARUI CO., LTD.</p> <p>Director and Chairman of Kizuna Holdings Corp.</p>	380,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Satoshi Harishima, a candidate for Director, has been contributing to the promotion of our group's management and sales strategies as Vice President and Representative Director since June 2013, as President and Representative Director of the major subsidiary KOEKISHA CO., LTD. since April 2016, and as President and Representative Director of the Company since April 2019. The Company requests his election in order to utilize his abundant experience and insights in the management of our group.</p>			

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
3	<p>Yasuko Miyajima (March 5, 1966)</p> <p>Attendance at the Board of Directors meetings 18/18 (100%)</p> <p>Reelection</p>	<p>Apr. 1988 Joined Taisho Marine System Development Company, Limited (now MS&AD Systems Co., Ltd.)</p> <p>Mar. 1997 Joined American Life Insurance Company</p> <p>May 2006 Joined the Company</p> <p>Apr. 2008 Assistant Manager of Strategic Marketing Planning Department</p> <p>June 2009 Executive Officer, Assistant Manager of Strategic Marketing Planning Department</p> <p>June 2010 Managing Executive Officer, General Manager of Strategic Marketing Planning Department</p> <p>Apr. 2016 Senior Managing Executive Officer, General Manager of Information System Division</p> <p>June 2017 Director in charge of Information System Division, General Manager of Information System Division</p> <p>Apr. 2018 Director in charge of Information System Division, General Manager of Information System Division, and Information System Department</p> <p>Apr. 2019 Director, Senior Managing Executive Officer</p> <p>Apr. 2023 Director, Senior Managing Executive Officer supervising and in charge of Marketing Planning Department, System & Operation Department and Information System Department, and General Manager of Marketing Planning Department (current position)</p> <p>Oct. 2024 Director of Kizuna Holdings Corp.</p> <p>June 2025 Representative Director and Vice President (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and Representative Director of Life Forward CO., LTD.</p> <p>Representative Director and Vice President of Kizuna Holdings Corp.</p>	67,500
<p>[Reasons for nomination as candidate for Director]</p> <p>Ms. Yasuko Miyajima, a candidate for Director, has been in charge of the information system department and the marketing planning department of a subsidiary as Director since June 2017. She has also been in charge of the marketing planning and system & operation departments of the Company as Director and Senior Managing Executive Officer since April 2019 and has been promoting the Life Ending Support Business as the President and Representative Director of Life Forward CO., LTD. since April 2020. The Company requests her election in order to utilize her abundant experience and achievements in the management of our group.</p>			

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
4	Yoshiyuki Yokota (March 6, 1972) Attendance at the Board of Directors meetings 18/18 (100%) Reelection	<p>Apr. 1994 Joined Gaeart Kumagai Co., Ltd. (now Gaeart Co., Ltd.)</p> <p>May 1998 Joined PACIFIC CONSULTANTS CO., LTD.</p> <p>Sept. 2000 Joined the Company</p> <p>Apr. 2017 General Manager of Accounting Department</p> <p>Apr. 2018 General Manager of Human Resources Department</p> <p>Apr. 2019 Executive Officer, General Manager of Corporate Planning Department</p> <p>Apr. 2021 Executive Officer in charge of Accounting Department (Financial Planning), Human Resources Department (Human Resources Planning), Corporate Planning Department, and General Manager of Corporate Planning Department</p> <p>June 2021 Director, Executive Officer in charge of Accounting Department (Financial Planning), Human Resources Department (Human Resources Planning), Corporate Planning Department, and General Manager of Corporate Planning Department</p> <p>Apr. 2023 Director, Executive Officer supervising General Affairs Department and Human Resources Department, supervising and in charge of Accounting Department, in charge of Corporate Planning Department, and General Manager of Corporate Planning Department (current position)</p> <p>Oct. 2024 Director of Kizuna Holdings Corp. (current position) (Significant concurrent positions outside the Company) Director of Life Forward CO., LTD. Director of GRAN CEREMO TOKYO CO., LTD. Director of Kizuna Holdings Corp.</p>	26,600
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Yoshiyuki Yokota, a candidate for Director, has served as General Manager of the Accounting Department since April 2017, General Manager of the Human Resources Department since April 2018, Executive Officer, General Manager of the Corporate Planning Department since April 2019, as well as concurrently Director of Life Forward CO., LTD. since April 2020. Since April 2021, he has been in charge of the Company's Accounting Department (Financial Planning), Human Resources Department (Human Resources Planning), and Corporate Planning Department as Executive Officer. He is also serving as Director of GRAN CEREMO TOKYO CO., LTD., a joint venture newly established in April 2022. The Company requests his election in order to utilize his abundant experience and achievements in the management of our group.</p>			

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
5	<p>Kaoru Yokomise (November 19, 1957)</p> <p>Attendance at the Board of Directors meetings 18/18 (100%)</p> <p>Reelection</p>	<p>Apr. 1981 Joined Kao Soap Co., Ltd. (now Kao Corporation)</p> <p>Oct. 2013 General Manager of Sustainability Promotion Department, Corporate Communications Division</p> <p>Dec. 2014 General Manager of Indirect Material Department, Procurement Division</p> <p>Apr. 2018 Joined the Consumer Affairs Agency</p> <p>Oct. 2019 Assistant Director for Policy Planning to Director of the Cabinet Office</p> <p>June 2021 Outside Director (Audit and Supervisory Committee Member) of Matsuda Sangyo Co., Ltd.</p> <p>June 2022 Outside Director of the Company (current position)</p>	0
<p>[Reasons for nomination as candidate for outside Director and overview of expected roles]</p> <p>Ms. Kaoru Yokomise, a candidate for outside Director, promoted ESG management at a major detergent manufacturer and has practical experience in the field of consumer administration. We nominated her for election because we believe that her deep knowledge and abundant experience will be useful in the management of the Company. In addition, if the candidate is elected, the Company plans for her to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination Committee and a member of the Remuneration Committee.</p> <p>Ms. Kaoru Yokomise does not have past experience of involvement in company management other than as an outside Director; however, for the abovementioned reasons, we judge that she is able to execute her duties as outside Director appropriately.</p>			

No.	Name (date of birth)	Career summary, and position and responsibilities in the Company (significant concurrent positions outside the Company)	Number of the Company shares owned
6	<p>Chihiro Negishi (November 2, 1968)</p> <p>Attendance at the Board of Directors meetings - / - (- %)</p> <p>New election</p>	<p>Jan. 2008 Joined Pasona Fortune Inc. (now Pasona JOB HUB Inc.) Head of Business Management Office, Head of Executive Search Office</p> <p>Oct. 2009 Joined Kosaido Co., Ltd. (now KOSAIDO Holdings Co., Ltd.) Senior Staff of Information Initiative</p> <p>Apr. 2015 Executive Officer, General Manager of HR Business Headquarters, HC Business Division</p> <p>June 2017 Director, Division Director of HRS Business Division, Head of Solutions Headquarters, and responsible for HR- related companies</p> <p>June 2018 Managing Director, Supervisor of HR-Related Business, responsible for HR business-related companies, and Promoting Manager of Printing Business Innovation Project</p> <p>June 2019 President and Representative Director</p> <p>July 2021 Senior Managing Director, Executive Officer</p> <p>Apr. 2022 Chairman, Representative Director, and President of Tokyohakuzen Co., Ltd.</p> <p>Apr. 2022 President and Representative Director of KOSAIDO NEXT Co., Ltd.</p> <p>June 2022 Senior Managing Director, COO (Chief Operating Officer) of KOSAIDO Holdings Co., Ltd.</p> <p>Apr. 2023 Chairman and Director of KOSAIDO NEXT Co., Ltd.</p> <p>June 2024 Vice President and Senior Executive Officer of KOSAIDO Holdings Co., Ltd.</p>	0
<p>[Reasons for nomination as candidate for outside Director and overview of expected roles]</p> <p>Mr. Chihiro Negishi, a candidate for outside Director, has extensive knowledge in overall corporate management, including human resources business, and has served as the Representative Director of a listed company that handles human resources service, information solutions and life ending support businesses. We nominated him for election because we believe that his high level of insight and abundant experience as a manager will be particularly useful in the management of the Company. In addition, if the candidate is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination Committee and a member of the Remuneration Committee.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Kaoru Yokomise and Chihiro Negishi are candidates for outside Director.
 3. The name of Yasuko Miyajima, a candidate for Director, in the family register is Yasuko Izawa.
 4. Matters concerning Kaoru Yokomise, a candidate for outside Director, are as follows:
 - (1) She is currently an outside Director of the Company, and her term of office as an outside Director will be three years at the conclusion of this General Meeting of Shareholders.
 - (2) The Company has registered her as an independent Director in accordance with the provisions of the Tokyo Stock Exchange and will continue to register her as an independent Director in the event that this proposal is approved and she assumes the office of outside Director.
 5. A matter concerning Chihiro Negishi, a candidate for outside Director, is as follows:

The Company intends to register him as an independent Director in accordance with the provisions of the Tokyo Stock Exchange in the event that this proposal is approved and he assumes the office of outside Director.
 6. Limited liability agreement with outside Directors

The Company has entered into an agreement with Kaoru Yokomise, pursuant to Article 427, Paragraph 1 of the Companies Act, to limit her liability for damages under Article 423, Paragraph 1 of the same act. If the reelection of Kaoru Yokomise is approved, the Company intends to continue the agreement. If the election of Chihiro Negishi is approved, the Company plans to enter into the same limited liability agreement with him.

The overview of the limited liability agreement is as follows.

In the event that a Director causes damage to the Company by neglecting his/her duties, if he/she does so without knowledge and is not grossly negligent in performing his/her duties, he/she shall be liable to the Company for damages up to ¥1 million or the minimum liability amount provided for in Article 425, Paragraph 1 of the Companies Act, whichever is higher, and shall be excused for damages in excess thereof.
 7. Directors and officers liability insurance policy

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 that includes all the officers (Directors, Audit & Supervisory Board Members, Executive Officers and other important employees under the Companies Act) of the Company and its subsidiaries as the insured. The Company plans to renew the insurance policy with the same terms upon the renewal. If the election of each candidate in this proposal is approved and they assume office as Directors, they will be insured by this policy.

The overview of the directors and officers liability insurance policy is as follows.

This insurance policy covers the losses and such costs of the insured as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured as officers or persons of a certain position in the Company, and the full amounts of premiums for all who are insured are borne by the Company

8. If the election of each candidate for Director is approved and the Proposal 2 “Amendment to the Articles of Incorporation” is approved, the term of office for each Director will be by the end of the Annual General Meeting of Shareholders for the 97th fiscal year to be held in November 2026.

(Reference) Skill matrix

If Proposal 3 is approved and adopted as originally proposed, the skill matrix of the Directors will be as follows:

Full name	Position	Professional skills, experience									
		Corporate management	Strategic planning	Finance /accounting	Human Resources/ labor	Legal affairs	Sales/ marketing	IT/ digital technologies	Risk management/ Compliance	ESG/ SDGs	Expertise (Professional qualifications)
Yuichi Noro	Chairman and Representative Director	●	●				●				
Satoshi Harishima	President and Representative Director	●					●		●		
Yasuko Miyajima	Director, Senior Managing Executive Officer						●	●			
Yoshiyuki Yokota	Director, Executive Officer		●	●	●						
Kaoru Yokomise	Outside Director						●			●	
Chihiro Negishi	Outside Director	●	●					●			
Kazufumi Hata	Full-time Audit & Supervisory Board Member			●					●		Certified public accountant
Kazumasa Honma	Outside Audit & Supervisory Board Member					●			●		Attorney
Yuto Mikami	Outside Audit & Supervisory Board Member					●			●		Administrative scrivener

* The list above includes up to three areas of knowledge and experience possessed by the Directors and the Audit & Supervisory Board Members (including candidates), but it is not exhaustive and does not represent all the knowledge and experience each individual possesses.

Proposal 4: Revision of Remuneration for Directors (Excluding Outside Directors) to Grant Restricted Shares Thereto

1. Reasons for the Proposal

For the Directors of the Company (excluding outside Directors; hereinafter referred to as the “Eligible Directors”) to share the merits and risks of share price fluctuation with shareholders and improve the motivation to contribute to the increase of share price and corporate value more than ever before, the Company introduced the restricted shares remuneration plan (a plan to determine the amount of share-based remuneration depending on a position; hereinafter referred to as the “Plan”) for the Eligible Directors in the fiscal year 2019. As for the upper limit of the remuneration, etc. under the Plan, in addition to the amount of the fixed remuneration, etc. for the Directors of the Company defined at the 80th Annual General Meeting of Shareholders of the Company held on June 26, 2009 (within the total amount of the fixed part, which is set to be ¥350 million or less per fiscal year, and the variable part, which should be 3% or less of the consolidated ordinary profit of the previous fiscal year of the payment date (of which upper limit should be ¥100 million)), at the 90th Annual General Meeting of Shareholders of the Company held on June 25, 2019, the shareholders approved that the limits for a fiscal year are ¥100 million for monetary remuneration claims distributed to the Eligible Directors for receiving restricted stock and 320,000 shares of restricted stock granted. (The Company performed a 2-for-1 common stock split on October 1, 2019, and October 1, 2023, and adjusted the total number of common stocks to be issued or disposed from 80,000 shares or less to 320,000 shares or less.)

As a part of the revision of the remuneration plan for Directors, the Company decided to revise the Plan (hereinafter referred to as the “Revision”). Specifically, with this revision, to increase the composition ratio of share-based remuneration, increase share price and corporate value and improve the linkage with share-based remuneration, the Company requests approval for the revision to set the upper limit of the remuneration under the Plan to be ¥300 million or less per fiscal year, in addition to the fixed remuneration amount for Directors, and determine the number of restricted shares to be allotted to the Eligible Directors per fiscal year to be 960,000 shares or less.

The purpose of this proposal is to increase share price and corporate value and strengthen the linkage of stock remuneration. We believe the content of this proposal is adequate because the allotment of restricted shares is determined by the Board of Directors after the deliberation of the Remuneration Committee of the Company, with the comprehensive consideration of various factors, including the Eligible Director’s contribution to the Company, the Company’s policy on decisions of the content of Directors’ remuneration, etc. (which will be amended on the condition that this proposal is approved and adopted).

The number of Directors is currently six (including two outside Directors). Subject to the approval and adoption of Proposal 3 “Election of Six Directors” as originally proposed, the number of eligible Directors will be four.

2. Details of the Plan After the Amendment

(1) Allotment and payment of restricted shares

The Company pays to the Eligible Directors monetary remuneration claims within the annual limit mentioned above as the remuneration to acquire shares based on the resolution of the Board of Directors of the Company. Each Eligible Director receives the total amount of the monetary remuneration claims by way of in-kind contribution for the allotment of restricted shares.

The amount to be paid in for restricted shares shall be determined by the Board of Directors of the Company based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors regarding the issuance or disposal (if there is no closing price on such date, the closing price on the closest preceding trading day) within the extent that the amount will not be particularly advantageous to Eligible Directors who subscribe the Company’s restricted shares under the Plan.

The monetary remuneration claims described above shall be paid on the condition that an Eligible Director agrees on the aforementioned in-kind contribution and concludes the restricted share allotment agreement that includes the description of 3 below.

(2) Total number of restricted shares

The upper limit of the number of restricted shares to be allotted every fiscal year shall be 960,000, which is the total number of restricted shares allotted to the Eligible Directors.

However, if, on or after the day on which this proposal is approved and adopted, the Company performs a share split (including allotment of shares without contribution) or a reverse share split of its common shares, or any other similar reason arises necessitating an adjustment to the total number of the restricted shares, the total number of the restricted shares shall be reasonably adjusted.

3. Content of the Restricted Share Allotment Agreement

The restricted share allotment agreement to be concluded between the Company and the Eligible Directors who are to be allotted the restricted shares based on the resolution of the Board of Directors for the allotment of restricted shares shall include the following:

(1) Details of transfer restrictions

An Eligible Director who has been allotted restricted shares may not transfer the allotted restricted shares to a third party, create a pledge or security interest on them, and arrange an inter vivos gift, bequest or any other disposal of them during the period from the date of the grant of the restricted shares until the Eligible Director retires or resigns from a position of the Company's Director, Executive Officer or any other position that is determined by the Board of Directors of the Company (hereinafter referred to as the "Restriction Period").

(2) Acquisition of restricted shares without contribution

When an Eligible Director who has been allotted restricted shares retires or resigns from a position of the Company's Director, Executive Officer or any other position that is determined by the Company's Board of Directors by the previous day of the first Annual General Meeting of Shareholders of the Company after the start of the Restriction Period, the Company acquires, by rights, without contribution the restricted share allotted to the Eligible Director (hereinafter referred to as the "Allotted Shares") unless there is any reason that the Board of Directors deems justifiable.

In addition, when there are the Allotted Shares on which the transfer restrictions have not been lifted at the expiration of the Restriction Period of (1) above in accordance with the provisions regarding the lifting of the transfer restrictions stated in (3) below, the Company shall acquire them, by rights, without contribution.

(3) Lifting of transfer restrictions

The Company will lift the transfer restrictions of all Allotted Shares at the maturity of the Restriction Period on the condition that an Eligible Director who has been allotted restricted shares kept holding the post of the Company's Director or Executive Officer or any other position that is determined by the Board of Directors of the Company by the day of the first Annual General Meeting of Shareholders of the Company after the start of the Restriction Period.

However, when the Eligible Director retires or resigns from a post of the Company's Director or Executive Officer or any other position that is determined by the Board of Directors of the Company by the previous day of the first Annual General Meeting of Shareholders of the Company after the start of the Restriction Period due to the reason that is deemed justifiable by the Board of Directors, the Company shall reasonably adjust the number of the Allotted Shares of which transfer restrictions are lifted and the timing of the removal of the transfer restrictions, as required.

(4) Treatment during reorganization, etc.

If, during the Restriction Period, proposals relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the shareholders meeting of the Company (or the Board of Directors of the Company in cases where approval at the shareholders meeting of the Company is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company.

In this case, the Company shall acquire, by rights, without contribution the Allotted Shares on which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions

were lifted in accordance with the provisions above.

(Reference)

The Company will allot restricted shares, which are similar to the abovementioned restricted shares, to the Executive Officers of the Company and the Directors and Executive Officers of its subsidiaries after the conclusion of this shareholders meeting.

The number of restricted shares allotted to an Eligible Director shall be determined by the position of the Eligible Director and the performance indicators of the Company. As the performance indicators, the Company sets the Company's financial indicators (TSR compared to TOPIX with dividends and share price growth ratio, which are the indicators of the Company's corporate value) and non-financial indicators (ESG indicators such as employees' engagement.)

Proposal 5: Extension of Countermeasures to Large-Scale Purchases of the Company's Stocks (takeover response policy)

At the Company's 93rd Annual General Meeting of Shareholders held on June 24, 2022, the shareholders approved the extension of Countermeasures for Large-scale Purchases of the Company's Stock (takeover defense plan) (hereinafter referred to as the "Former Plan"). The Former Plan expires at the close of this General Meeting of Shareholders.

Accordingly, the Company proposes the Former Plan to be extended with substantially the same contents as described in "2. Contents of the Proposal" below (the extended plan is hereinafter referred to as the "Plan"). The Company also requests approval of its shareholders to delegate to the Board of Directors of the Company the authority to decide matters concerning the Gratis Allotment of Stock Acquisition Rights in accordance with the terms and conditions set forth in the Plan, pursuant to Article 12 of the Company's Articles of Incorporation.

1. Reason for the Proposal (Basic Policy on the Persons Who Control Decisions on the Company's Financial and Business Policies)

The Company believes that those who control decisions on the Company's financial and business policies need to be the persons who understand the source of the Company's corporate value and make it possible for the Company to continuously and sustainably ensure and enhance its corporate value and, in turn, the common interests of its shareholders.

The Company believes that in the event of a takeover bid involving a transfer of control of the Company, the decision on such a takeover bid should ultimately be based on the will of the shareholders. In addition, the Company will not reject a large-scale acquisition of the Company's shares if such an acquisition contributes to ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders. However, there are some cases in which a large-scale acquisition of shares may cause obvious harm to corporate value and the common interests of shareholders in terms of the purpose and manner, etc., of the acquisition, may effectively force shareholders to sell their shares, may not provide sufficient time and information for the target company's board of directors and shareholders to consider the details, etc., of the large-scale acquisition of shares or for the target company's board of directors to propose an alternative proposal, may require the target company to discuss and negotiate with the acquirer in order to bring about more favorable terms than those offered by the acquirer, etc., that may not contribute to corporate value and the common interests of shareholders.

The source of our group's corporate value is its people and organization. Unless a person making a large-scale acquisition of the Company's shares understands the source of the Company's corporate value and is able to secure and enhance it over the medium to long term, the Company's corporate value and the common interests of its shareholders will be damaged.

The Company believes that a person who conducts such a large-scale acquisition that does not contribute to the corporate value of the Company and the common interests of its shareholders is inappropriate as a person who controls decisions on the Company's financial and business policies, and that it is necessary to ensure the corporate value of the Company and the common interests of its shareholders by taking necessary and reasonable countermeasures against such large-scale acquisition by such a person.

2. Contents of the Proposal

(1) Purpose of the Plan

As stated in 1. above, the Company will not reject even a large-scale acquisition of shares if it contributes to the Company's corporate value and the common interests of its shareholders. However, not a few large-scale acquisition of shares do not contribute to corporate value and the common interests of shareholders.

The Company believes that it is essential to have a framework to deter large-scale acquisition that are contrary to the corporate value of our group and the common interests of its shareholders by enabling shareholders to decide whether or not to accept such large-scale acquisition of the Company's shares, or to secure the necessary information and time for the Board of Directors of the Company to propose alternative plans to shareholders, or to negotiate on behalf of shareholders, when a large-scale acquisition of the Company's shares is conducted.

The Plan is intended to ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders on a continuous and sustainable basis, and we believe that it is in line with the basic policy described in 1. above.

(2) Outline of the Plan

(a) Establishment of procedures for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., under the Plan

The Plan sets forth procedures to be followed in the event of an acquisition (except for those deemed friendly by the Board of Directors of the Company, hereinafter referred to as "Acquisition, etc.") or similar act or proposal for acquisition of the Company's shares, etc., to require the acquirer, etc., (hereinafter referred to as "Acquirer, etc.") to provide information regarding such acquisition in advance, to allow time to collect and review information, etc., regarding such acquisition, etc., and to present to the shareholders plans and alternative plans etc., of the management of the Company and to negotiate with the Acquirer, etc. (See (3) "Procedures for the Implementation of the Gratis Allotment of Stock Acquisition Rights, etc., under the Plan" below).

(b) Use of Gratis Allotment of Stock Acquisition Rights, etc.

In the event that Acquirer, etc. conducts Acquisition, etc., without complying with the procedures stipulated in the Plan, etc., and it is deemed that there is a risk that the corporate value of our group and the common interests of its shareholders may be harmed (For details of such requirements, please refer to (4) "Requirements for Gratis Allotment of Stock Acquisition Rights, etc." below), the Company shall allot Stock Acquisition Rights (The main details are described in (5) "Outline of the Gratis Allotment of Stock Acquisition Rights" below and hereinafter referred to as the "Stock Acquisition Rights") to all shareholders at that time by the method of gratis allotment of stock acquisition rights (As defined in Article 277 of the Companies Act and thereafter) with an exercise condition that the exercise of rights by such Acquirer, etc., is not permitted and an acquisition provision to the effect that the Company shall acquire stock acquisition rights in exchange for shares of the Company from persons other than such Acquirer, etc., or take other reasonable measures (Note 1.) that can be taken under laws and regulations and the Articles of Incorporation of the Company (hereinafter, those measures are collectively referred to as the "Gratis Allotment of Stock Acquisition Rights, etc.")).

(c) Involvement of an Independent Committee to eliminate arbitrary decisions by Directors

Under the Plan, in order to eliminate arbitrary decisions by Directors regarding the implementation, non-implementation, or acquisition of the Gratis Allotment of Stock Acquisition Rights, etc., decisions shall be made by an Independent Committee consisting of at least three members who are either (i) outside Directors, (ii) outside Audit & Supervisory Board Member of the Company, or (iii) outside experts who are independent of the Company's management, in accordance with the rules of the Independent Committee (please see Appendix 1. for the outline of the rules). In addition, the Company ensures transparency by disclosing information to shareholders in a timely manner. In the event that the Board of Directors of the Company intends to trigger the Plan, it will, in principle, convene a General Meeting of Shareholders to confirm the will of shareholders regarding the implementation of the Gratis Allotment of Stock Acquisition Rights, etc.

The Independent Committee at the time of the extension of the Plan will consist of two independent Outside Directors and two Outside Audit & Supervisory Board Members of the Company. The names and biographies of the members of the committee are shown in the Appendix 2. (please refer to Appendix 1. for the criteria for the appointment of members of the Independent Committee after the extension, requirements for resolutions and matters to be resolved).

(d) Exercise of Stock Acquisition Rights and acquisition of Stock Acquisition Rights by the Company

If the Gratis Allotment of Stock Acquisition Rights is exercised in accordance with the Plan and if it is exercised by shareholders other than the Acquirer, etc., or if the shares of the Company are delivered to shareholders other than the Acquirer, etc., in exchange for the acquisition of the Stock Acquisition Rights by the Company, the ratio of voting rights in the Company's shares held by such Acquirer, etc., may be diluted to a maximum of approximately 50%.

(3) Procedures for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., under the Plan

(a) Targeted Acquisition, etc.

The Plan shall be applicable in the event of the Acquisition, etc. that falls under (i) through (iii) below.

- (i) The Acquisition, etc., as a result of which the holding ratio of share certificates, etc. (Note 4.) of the holder (Note 3.) would become 20% or more with regard to the share certificates, etc. issued by the Company (Note 2.).
- (ii) A tender offer (Note 6.) as a result of which the aggregate sum of the ownership ratio of share certificates, etc. (Note 7.) pertaining to the tender offer and the ownership ratio of shares, etc. of their specially related parties (Note 8.) would become 20% or more with regard to the shares, etc. issued by the Company (Note 5.).
- (iii) Regardless of whether the implementation of any of the acts set forth in (i) or (ii) above has occurred, any act between a specific shareholder (when referred to again in this paragraph, the “said specific shareholder”) of the Company and another shareholder (when referred to again in this paragraph, the “said other shareholder” of the Company) (including cases of multiple shareholders; the same shall apply hereinafter in (iii)) that leads to an agreement or any other act that would cause the said other shareholder to become a joint holder (Note 9.) with the said specific shareholder, or any act (Note 11.) between the said specific shareholder and the said other shareholder that establishes a relationship between the said specific shareholder and said other shareholder, where one substantially controls the other or they act jointly or in coordination (Note 10.). (However, this only applies in cases where the aggregate holding ratio of share certificates, etc., of the said specific shareholder and the said other shareholder in relation to those issued by the Company would be 20% or more.)

(b) Submission of Letter of Intent

Prior to commencing or executing the Acquisition, etc., the Acquirer, etc., shall submit, in a form separately prescribed by the Company, a document (signed or stamped with a name and seal by a representative of the Acquirer, etc.) containing a covenant to comply with the procedures of the Plan and a certificate of qualification of the representative who has signed or stamped such document (collectively, the “Letter of Intent”). In the Letter of Intent, the Acquirer, etc., shall clearly indicate the name, address or main office, location of offices, etc., the law governing the incorporation, name of representative, contact information in Japan, and outline, etc., of the contemplated Acquisition, etc. The language to be used in the Letter of Intent and the Acquisition Document set forth in (c) below shall be Japanese only.

(c) Request for information to the Acquirer, etc.

The Company shall deliver to the Acquirer, etc., the form of the Acquisition Document (defined below) (including a list of information to be provided by the Acquirer, etc., to the Company) within ten (10) business days of receipt of the Letter of Intent (not including the first day; hereinafter the same shall apply to the method of calculating the period unless otherwise specified). Except in cases where the Board of Directors of the Company recognizes that the Acquisition, etc., is a friendly Acquisition, etc., the Acquirer, etc., shall provide the Company with a written document (hereinafter referred to as the “Acquisition Document”) containing the information, etc., set forth in each of the items below (hereinafter referred to as the “Necessary Information”).

Upon receipt of the Acquisition Document, the Board of Directors of the Company shall promptly provide it to the Independent Committee. In response to this, if the Independent Committee determines that the Acquisition Document is insufficient as the Necessary Information, it may, either directly or through the Board of Directors of the Company, request the Acquirer, etc., to submit additional Necessary Information by setting an appropriate response deadline (up to 60 days from the day following the day on which the Acquisition Document is received). In such case, the Acquirer, etc., shall be required to provide such additional Necessary Information by the said deadline.

Notice

- (i) Details (this includes the specific name, capital structure, financial details, details of transactions of the same type of acquisition, etc., with this Acquisition, etc., and the results,

etc., of such transactions. If the Acquirer, etc., is already a shareholder of the Company, the Acquirer, etc., is also required to provide the names of all shareholders) of the Acquirer, etc., and its group (including joint holders, specially related parties and (in the case of a fund) each partner and other members).

- (ii) The purpose, method and details of the Acquisition, etc., (including the price and type of consideration for the Acquisition etc., the timeframe of the Acquisition, etc., the structure of any related transactions, the legality of the method of the Acquisition, etc., and information regarding the feasibility of the Acquisition, etc.)
- (iii) Basis of calculation of the price of Acquisition, etc., (including the facts on which the calculation is based, calculation method, numerical information used in the calculation, details of synergies expected to arise from a series of transactions related to the Acquisition, etc., and details of such synergies to be distributed to other shareholders).
- (iv) The financial backing for the Acquisition, etc., (including the specific name of the provider of funds (including substantial providers of funds), the method of procurement, and the details of related transactions, etc.)
- (v) Details regarding presence or absence of communication with a third party in conducting the Acquisition, etc. and the details of the communication and the outline of the third party if such communication exists (this includes the specific name, capital structure, financial details, details of transactions of the same type of acquisition, etc., with this Acquisition, etc., and the results, etc., of such transactions. If existing shareholders of the Company are involved, the names of all the shareholders shall be provided).
- (vi) Management policy, business plan, capital policy and dividend policy of the Company and our group after the Acquisition, etc.
- (vii) Measures to continuously and stably enhance the corporate value of the Company and our group after the Acquisition, etc., and the basis for recognizing that such measures will enhance the corporate value of the Company and our group.
- (viii) Policy for dealing with employees, business partners, customers, and other stakeholders of the Company and our group after the Acquisition, etc.
- (ix) Specific measures to avoid conflicts of interest with other shareholders of the Company
- (x) Information on relationships with anti-social forces
- (xi) Any other information that the Independent Committee reasonably determines to be necessary.

If the Independent Committee finds that the Acquirer, etc., has commenced the Acquisition, etc., without complying with the procedures stipulated in the Plan, the Independent Committee will, in principle, recommend that the Board of Directors of the Company implement the Gratis Allotment of Stock Acquisition Rights, etc., as described in (e) (i) below, except in cases where there are special circumstances that require the continued submission of the Acquisition Document and Necessary Information for discussion, negotiation, etc., with the Acquirer, etc.

- (d) Examination of the terms of the Acquisition, etc., negotiation with the Acquirer, etc., and consideration of alternative proposals
 - (i) Request for information from the Board of Directors of the Company

In cases where the Independent Committee receives the Letter of Intent, the Acquisition Document, and the Necessary Information from the Acquirer, etc., the Independent Committee may, from the perspective of ensuring and enhancing the Company's corporate value and the common interests of its shareholders, in order to compare and examine, etc., the contents of the Acquisition Document and the Necessary Information with the business plan of the Board of Directors of the Company, the corporate evaluation, etc., by the Board of Directors of the Company, request the Board of Directors of the Company to present its opinion (including an opinion to reserve. The same shall apply hereinafter.) on the terms of the Acquisition, etc., by the Acquirer, etc., materials supporting such opinion, alternative plans (If any), and any other information, etc., that the Independent Committee deems necessary from time to time, after setting an appropriate response deadline (In consideration of the scale, social nature, and special characteristics, etc., of our group's business, in principle, the maximum period shall be 30 days from the day following the day on which the Necessary Information is submitted.) for the submission of the opinion.

(ii) Examination by the Independent Committee

The Independent Committee shall examine the terms of the Acquisition, etc. by the Acquirer, etc., collect and compare information regarding the business plans, etc., of the Acquirer, etc., and the Board of Directors of the Company, and examine alternative plans provided by the Board of Directors of the Company before 60 days have passed (however, the Independent Committee may extend such period for up to 30 days in cases such as those described in (e) (iii) below, hereinafter referred to as the “Independent Committee Examination Period”), in principle, from the receipt of information, etc. deemed sufficient by the Independent Committee from the Acquirer, etc., and (in the event that the Board of Directors of the Company is requested to present information, etc., as described above) the Board of Directors of the Company. In addition, if deemed necessary, the Independent Committee shall, in order to improve the terms of the Acquisition, etc., from the perspective of ensuring and enhancing the Company’s corporate value and the common interests of its shareholders, hold discussions and negotiations, etc., with the Acquirer, etc., directly or through the Board of Directors of the Company, or present an alternative proposal by the Board of Directors of the Company, etc., to the shareholders, etc.

In order to ensure that the decisions of the Independent Committee are made in a manner that contributes to the corporate value of the Company and the common interests of its shareholders, the Independent Committee may, at the Company’s expense, obtain advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts).

If the Independent Committee requests the Acquirer, etc., directly or through the Board of Directors of the Company, to provide materials for examination or other information, or to hold discussions or negotiations, etc., the Acquirer, etc., must promptly comply with such request.

(e) Procedures for recommendations, etc. by the Independent Committee

The Independent Committee shall make recommendations, etc. to the Board of Directors of the Company in accordance with the following procedures in the event of the emergence of an Acquirer, etc.

(i) If the Independent Committee recommends implementation of the Gratis Allotment of Stock Acquisition Rights, etc. under the Plan

If the Acquirer, etc., fails to comply with the procedures set forth in the Plan, or if the Independent Committee determines that the Acquisition, etc., by the Acquirer, etc., falls under any of the requirements set forth in (4) “Requirements for Gratis Allotment of Stock Acquisition Rights, etc.” below and that it is reasonable to implement the Gratis Allotment of Stock Acquisition Rights, etc., the Independent Committee will recommend the implementation of the Gratis Allotment of Stock Acquisition Rights, etc. to the Board of Directors of the Company, regardless of whether the Independent Committee Examination Period begins or ends.

However, even after the Independent Committee has once made a recommendation for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., if it determines that any of the following events applies, it may make a recommendation for the suspension, etc. until the day before the implementation of the Gratis Allotment of Stock Acquisition Rights, etc. (For example, in the case of a Gratis Allotment of Stock Acquisition Rights, until the day before the Exercise Period Commencement Date (as defined in (f) of (5) “Outline of the Gratis Allotment of Stock Acquisition Rights” below), it may make a recommendation to suspend the Gratis Allotment of these Stock Acquisition Rights until the effective time of the Gratis Allotment, or, it may make a new recommendation to acquire these Stock Acquisition Rights without consideration after the effective time of the Gratis Allotment.)

- 1) In cases where the Acquirer, etc., withdraws the Acquisition etc., after the recommendation or in other cases where the Acquisition, etc., no longer exists
- 2) If the facts, etc., on which the decision on the recommendation was based have changed, and the Acquisition etc., by the Acquirer, etc., does not meet any of the requirements set forth in (4) “Requirements for the Gratis Allotment of Stock Acquisition Rights, etc.” below, or even if it does, it is no longer reasonable to implement or permit the Gratis

Allotment of Stock Acquisition Rights, etc.

- (ii) If the Independent Committee recommends non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc. under the Plan
If, as a result of examination of the terms of the Acquisition, etc., by the Acquirer, etc., discussion and negotiation with the Acquirer, etc., the Independent Committee determines that the Acquisition etc., by the Acquirer etc., does not fall under any of the requirements set forth in (4) “Requirements for Gratis Allotment of Stock Acquisition Rights, etc.” below, or even if it does fall under such requirements, it is not appropriate to implement the Gratis Allotment of Stock Acquisition Rights, etc., it shall recommend that the Board of Directors of the Company not to implement the Gratis Allotment of Stock Acquisition Rights, etc. regardless of whether the Independent Committee Examination Period has ended.
However, even after the Independent Committee has once recommended the non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc., if the facts on which the recommendation was based have changed and the requirements in the first sentence of (i) above became satisfied, the Independent Committee may make a new decision, including a recommendation on implementing the Gratis Allotment of Stock Acquisition Rights, etc., and make such recommendation to the Board of Directors of the Company.
- (iii) If the Independent Committee extends the Examination Period for the recommendation for implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc. under the Plan
If the Independent Committee does not reach a recommendation for implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc. by the expiration of the Independent Committee Examination Period, the Independent Committee will pass a resolution to extend the Independent Committee Examination Period to the reasonable extent (however, the total extended period shall not exceed 30 days) necessary to examine the terms of the Acquisition, etc., negotiate with the Acquirer, etc., and examine alternative plans, etc.
If the Independent Committee Examination Period is extended by the above resolution, the Independent Committee shall continue to collect information, examine, etc., and make a maximum effort to make a recommendation for the implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc., within the extended period.
- (f) Holding a General Meeting of Shareholders to confirm the will of shareholders
If the Independent Committee recommends that the Gratis Allotment of Stock Acquisition Rights, etc. be implemented, or if the Independent Committee has not reached a recommendation for implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc., even after the extended examination period pursuant to (e) (iii) above, and the Board of Directors of the Company deems it appropriate to implement the Gratis Allotment of Stock Acquisition Rights, etc., the Board of Directors of the Company will promptly convene a General Meeting of Shareholders with the agenda item of approval, etc., of the implementation of the Gratis Allotment of Stock Acquisition Rights, unless there are reasonable grounds such as the impracticality of holding such a meeting, etc. When implementing the procedures for convening such General Meeting of Shareholders, the Board of Directors will promptly disclose the outline of the Acquisition Document and the Necessary Information, the opinion of the Board of Directors of the Company and the recommendation, etc., of the Independent Committee, and other matters that the Board of Directors deems appropriate, in accordance with applicable laws and regulations, etc., and the rules of the Financial Instruments Exchange.
As a precondition to holding a General Meeting of Shareholders, the Board of Directors of the Company shall promptly set a record date for determining the shareholders entitled to exercise their voting rights at such meeting (hereinafter referred to as the “Record Date for Voting at the General Meeting of Shareholders for Confirmation of Intention”) and shall give public notice thereof at least two weeks before the Record Date. The shareholders entitled to exercise voting rights at such General Meeting of Shareholders shall be those shareholders recorded in the final shareholders’ register as of the Record Date for Voting at the General Meeting of Shareholders for Confirmation of Intention.
Resolutions of such General Meeting of Shareholders shall be adopted by a majority of the voting

rights of the shareholders present who are entitled to exercise their voting rights (Note 12.). The results of such General Meeting of Shareholders shall be disclosed promptly after the resolution thereof. The Acquirer, etc., shall not make the Acquisition, etc., until a resolution not to approve the implementation of the Gratis Allotment of Stock Acquisition Rights, etc. is passed at such General Meeting of Shareholders.

(g) Resolution of the Board of Directors

If the implementation of the Gratis Allotment of Stock Acquisition Rights, etc. is approved at the General Meeting of Shareholders held in accordance with (f) above, the Board of Directors of the Company shall promptly pass a resolution, as necessary, as an organization under the Companies Act regarding the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., and implement such resolution. If such General Meeting of Shareholders does not approve the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., the Board of Directors of the Company shall comply with such approval.

If the General Meeting of Shareholders to confirm the will of shareholders pursuant to (f) above cannot be held for reasonable reasons, such as it is practically impossible to hold the meeting, etc., the Board of Directors of the Company shall promptly pass a resolution as an organization under the Companies Act regarding implementation or non-implementation, etc., of the Gratis Allotment of Stock Acquisition Rights, etc., with maximum respect for the recommendation of the Independent Committee if the Committee has made one.

Until the Board of Directors of the Company resolves not to implement the Gratis Allotment of Stock Acquisition Rights, etc. under the Plan, the Acquirer, etc., shall not make the Acquisition, etc.

(h) Disclosure of information

In administering the Plan, the Company will, in accordance with applicable laws and regulations or rules of Financial Instruments Exchange, etc., disclose information in a timely manner regarding the progress (including the fact that the Letter of Intent and Acquisition Document have been submitted, the fact that the Independent Committee Examination Period has commenced, and the fact that the Independent Committee Examination Period has been extended and the reasons for such extension) of each procedure of the Plan or a summary of recommendations, etc., by the Independent Committee, a summary of resolutions of the General Meeting of Shareholders to confirm the will of shareholders, a summary of resolutions of the Board of Directors of the Company, and other matters deemed appropriate by the Independent Committee or the Board of Directors of the Company.

(4) Requirements for Gratis Allotment of Stock Acquisition Rights, etc.

If the Acquisition, etc., by the Acquirer, etc., falls under any of the following items and the implementation of Gratis Allotment of Stock Acquisition Rights, etc., is deemed appropriate, the Company plans to implement the Gratis Allotment of Stock Acquisition Rights, etc. by resolution of the General Meeting of Shareholders as described in (f) of (3) "Procedures for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., under the Plan" above or by resolution of the Board of Directors of the Company as described in (g) above. As described in (e) of (3) "Procedures for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., under the Plan" above, the Independent Committee will determine whether it is appropriate to implement the Gratis Allotment of Stock Acquisition Rights, etc. if the following requirements apply.

Notice

- (a) If the Acquisition, etc. does not comply with the procedures set forth in the Plan.
- (b) If the Acquisition, etc., is likely to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through any of the following actions, etc.:
 - (i) Buying up share certificates, etc., and demanding that the Company purchase the share certificates, etc., at a high price.
 - (ii) Taking actions to realize the interests of the Acquirer, etc., at the expense of the Company, such as taking temporary control of the Company's management to purchase our group's valuable assets, etc., at low cost.
 - (iii) Misappropriating our group's assets as collateral or source of repayment of debt obligations

of the Acquirer, etc., or its group companies, etc.

- (iv) Temporarily controlling the management of the Company to dispose of high-priced assets, etc., that have no relevance to our group's current business, and using the profits from such disposal to pay high dividends temporarily, or selling the shares at a high price by taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporary high dividends.
 - (c) If the Acquisition, etc., was a coercive two-tiered acquisition, etc., (a tender offer or other acquisition of shares without soliciting the acquisition of all shares in the initial acquisition and with unfavorable or unclear terms for the second stage of the acquisition) or any other acquisition, etc., that may effectively coerce shareholders into selling their shares.
 - (d) If the terms of the Acquisition, etc., (including the price and type of the consideration for the Acquisition, etc., the timeframe of the Acquisition, etc., the legality of the method of Acquisition, etc., the feasibility of the Acquisition, etc., the management policy and business plan after the Acquisition, etc., and the policy, etc., for dealing with the Company's other shareholders, employees, customers, business partners, and other stakeholders of the Company after the Acquisition, etc.) are significantly insufficient or inappropriate in light of the Company's corporate value.
 - (e) If the Acquisition, etc., can be objectively and reasonably determined to significantly damage the Company's corporate value and, in turn, the common interests of shareholders. For example, the Acquisition, etc., could destroy relationships with our group's employees, customers, business partners, etc., or the brand value and corporate culture of our group, which are essential to the creation of the Company's corporate value.
- (5) Outline of the Gratis Allotment of Stock Acquisition Rights

The outline of the Gratis Allotment of Stock Acquisition Rights under the Plan is as follows.

(a) Number of Stock Acquisition Rights

The number shall be the same as the Company's final total outstanding shares (however, the number of the Company's shares held by the Company as of such date shall be deducted) as of a certain date (hereinafter referred to as the "Allotment Date") to be separately determined in the resolution of the Board of Directors or the resolution of the General Meeting of Shareholders (hereinafter referred to as the "Resolution for Gratis Allotment of Stock Acquisition Rights") concerning the Gratis Allotment of Stock Acquisition Rights.

(b) Shareholder subject to allotment

The Company shall allot the Stock Acquisition Rights to the shareholders other than the Company recorded in the Company's final register of shareholders as of the Allotment Date, at a ratio of one Stock Acquisition Right per one share of the Company's stock held by such shareholders.

(c) Effective date of the Gratis Allotment of Stock Acquisition Rights

The date will be separately determined in Resolution for Gratis Allotment of Stock Acquisition Rights.

(d) Class and number of shares to be issued upon exercise of the Stock Acquisition Rights

The class of shares to be issued upon exercise of the Stock Acquisition Rights shall be common stock, and the number of shares (Note 13.) to be issued upon exercise of one Stock Acquisition Right (hereinafter referred to as the "Applicable Number of Shares") shall be one share.

(e) Amount of assets to be contributed upon exercise of the Stock Acquisition Rights

The purpose of the contribution to be made upon exercise of the Stock Acquisition Rights shall be in cash, and the value per share of the assets to be contributed upon exercise of the Stock Acquisition Rights shall be the amount separately determined in the Resolution for Gratis Allotment of Stock Acquisition Rights within the range of a minimum of one yen and a maximum of one-half of the market price of one share of the Company. The market price shall be the amount equivalent to the average of the closing price of the Company's shares (including indicative price) in regular trading at the Tokyo Stock Exchange (however, in the event of a change in the principal exchange, it shall be subject to such change) for each day during the 90 days (except on days when no transactions are concluded) preceding the Resolution for Gratis

Allotment of Stock Acquisition Rights, rounded up to the nearest yen.

(f) Exercise period of the Stock Acquisition Rights

The first day shall be the date separately determined in the Resolution for Gratis Allotment of Stock Acquisition Rights (The first day of such exercise period is hereinafter referred to as the “Exercise Period Commencement Date”), and the period shall be a period ranging from one month to three months to be separately determined in the Resolution for Gratis Allotment of Stock Acquisition Rights. However, if the Company acquires the Stock Acquisition Rights pursuant to paragraph (i) (ii) below, the exercise period for the Stock Acquisition Rights pertaining to such acquisition shall be until the business day immediately preceding the date of such acquisition. If the last day of the exercise period falls on a holiday of the place handling the payment of money to be paid upon exercise, the last day of the exercise period shall be the preceding business day.

(g) Exercise conditions of the Stock Acquisition Rights

In principle, the Stock Acquisition Rights may not be exercised by (I) a specified large volume holder (Note 14.), (II) a joint holder of a specified large volume holder, (III) a specified large volume acquirer (Note 15.), (IV) a specified related party of a specified large volume acquirer, or (V) a person who has received or succeeded the Stock Acquisition Rights from a person falling under (I) through (IV) above without obtaining approval from the Board of Directors of the Company, or (VI) a related party of a person falling under (I) through (V) above (Note 16.) (Persons falling under (I) through (VI) are hereinafter referred to as “Non-Qualified Persons”). In addition, non-residents who are required to follow prescribed procedures to exercise the Stock Acquisition Rights under applicable foreign laws and regulations may not, in principle, exercise the Stock Acquisition Rights (However, certain non-residents, such as those who are eligible for exemptions under applicable foreign laws and regulations, etc., may exercise the Stock Acquisition Rights, and the Stock Acquisition Rights held by non-residents are also subject to acquisition by the Company in exchange for the Company’s shares, as described in (i) below).

(h) Restrictions on the transfer of the Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by transfer requires the approval of the Board of Directors of the Company.

(i) Acquisition of the Stock Acquisition Rights by the Company

(i) If the Board of Directors of the Company deems it appropriate for the Company to acquire the Stock Acquisition Rights at any time up to the day before the Exercise Period Commencement Date, the Company may acquire all the Stock Acquisition Rights without consideration on a date separately determined by the Board of Directors of the Company.

(ii) On a date separately determined by the Board of Directors of the Company, the Company may acquire all of the Stock Acquisition Rights held by persons other than the Non-Qualified Persons that have not been exercised by the business day immediately preceding the date determined by the Board of Directors of the Company and, in exchange, deliver the Applicable Number of Shares of the Company per one Stock Acquisition Right.

In addition, if, after the date of such acquisition the Board of Directors of the Company recognizes the existence of any person holding Stock Acquisition Rights other than Non-Qualified Persons, the Company may, on a date separately determined by the Board of Directors of the Company after the date of such acquisition, acquire all of the Stock Acquisition Rights held by such person that have not been exercised by the business day preceding such date determined by the Board of Directors of the Company, and, in exchange, deliver the Applicable Number of Shares of the Company for each Stock Acquisition Right, and the same shall apply thereafter.

(iii) On a date that is on or after the effective date of the Gratis Allotment of Stock Acquisition Rights and separately determined by the Board of Directors, the Company may acquire all of the Stock Acquisition Rights held by Non-Qualified Persons and, in exchange, deliver Stock Acquisition Rights that may not, as a general rule, be exercised by Non-Qualified Persons as consideration in the number equal to the Stock Acquisition Rights to be acquired (Note 17.).

(6) Details of the proposal to be submitted by the Board of Directors of the Company to the General Meeting of Shareholders for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc.

The details of the proposal to be submitted by the Board of Directors of the Company to the General Meeting of Shareholders for the implementation of the Gratis Allotment of Stock Acquisition Rights, etc. shall, in principle, be the contents specified in 3. (5) “Outline of the Gratis Allotment of Stock Acquisition Rights” above in the case of the Gratis Allotment of Stock Acquisition Rights, and in the case of other measures, the contents shall be the same and the outline of the measures shall be clear.

(7) Effective period, repeal and amendment of the Plan

The effective period (including the delegation of authority to decide matters concerning the implementation of the Gratis Allotment of Stock Acquisition Rights under the Plan; hereinafter referred to as the “Effective Period”) of the Plan shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years after the conclusion of this General Meeting of Shareholders; provided, however, if “Proposal 2: Amendment to the Articles of Incorporation” is approved as proposed and the Company’s fiscal year-end changes from March 31 to August 31, then in consideration of the fiscal year after the fiscal year-end change, the Effective Period shall be until the conclusion of the Annual General Meeting of Shareholders relating to the third fiscal year after the end of this General Meeting of Shareholders (scheduled for late November 2028).

However, even before the expiration of the Effective Period, the Plan shall be abolished at that time if (i) a resolution is passed at a General Meeting of Shareholders of the Company to withdraw the above delegation to the Board of Directors of the Company to decide matters concerning the Gratis Allocation of Stock Acquisition Rights under the Plan, or (ii) a resolution is passed by the Board of Directors of the Company to abolish the Plan.

In addition, even during the Effective Period of the Plan, the Board of Directors of the Company may, if it is not contrary to the intent of the resolution of this General Meeting of Shareholders (including cases where laws and regulations, Financial Instruments Exchange regulations, etc., relating to the Plan are newly established, revised, or abolished, and it is appropriate to reflect such establishment, revision, or abolition, cases where it is appropriate to amend words or phrases for reasons such as typographical errors or omissions, etc., and cases where the Company’s shareholders are not disadvantaged), the Plan may be amended or revised with the approval of the Independent Committee.

In the event of the abolition or amendment of the Plan, etc., the Company shall promptly disclose the fact of such abolition or amendment, etc., and (in the case of amendment, etc.) the details of such amendment, etc., and other matters.

- Note 1. Specifically, a resolution requesting the Acquirer, etc., to cease the Acquisition, etc., at the General Meeting of Shareholders, etc., may be considered.
- Note 2. Defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise specified in this proposal.
- Note 3. Including persons who are included in the holders pursuant to Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under this category by the Board of Directors of the Company). The same shall apply hereinafter in this proposal.
- Note 4. Defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter in this proposal; provided, however, that in the calculation of the holding ratio of share certificates, etc., (i) specially related parties as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act, and (ii) investment banks, securities companies, and other financial institutions that have concluded financial advisor agreements with specific shareholders of the Company, as well as tender-offer representatives and underwriting securities companies (hereinafter, “contracted financial institutions, etc.”) of specific shareholders shall be deemed joint holders with the specific shareholders of the Company in the Plan. Moreover, in calculating the holding ratio of share certificates, etc., with regard to the total number of shares issued by the Company, the most recent information disclosed by the Company can be referenced.
- Note 5. Defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter in (ii).
- Note 6. Defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act. The same shall apply hereinafter in this proposal.
- Note 7. Defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter in this proposal.
- Note 8. Defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act (including those who are deemed to fall under this category by the Board of Directors of the Company). However, with respect to the persons set forth in item 1 of the same paragraph, those set forth in Article 3, paragraph 2 of the Cabinet Office Ordinance on Disclosure of Tender Offers for Share Certificates, etc., by Persons Other Than Issuers are excluded. Also, (i) joint holders and (ii)

contracted financial institutions, etc. shall be deemed as specially related parties of the specific shareholders of the Company. The same shall apply hereinafter in this proposal unless otherwise prescribed.

- Note 9. Joint holders as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, including those deemed to be joint holders pursuant to Paragraph 6 of the same article (including those who are deemed to fall under this category by the Board of Directors of the Company). The same shall apply hereinafter in this proposal.
- Note 10. The basis for judging whether a “relationship between the said specific shareholder and said other shareholder, where one substantially controls the other or they act jointly or in coordination” has been established is as follows: the existence of the formation of new investment relationships, business partnership relationships, trade or contract relationships, relationships involving officers with concurrent positions, fund providing relationships, credit extending relationships, or substantial interest-based relationships related to Company’s shares, etc. provided through derivatives, stock lending, etc. as well as direct or indirect effects, etc. on the Company by the said specific shareholder group or said other shareholders.
- Note 11. The judgment as to whether or not the prescribed action in (iii) above has been taken shall be made by the Board of Directors of the Company in accordance with the recommendation of the Independent Committee. To the extent needed to determine if it is necessary to make the aforementioned judgment concerning the applicability of the requirements stated in (iii) above, the Board of Directors of the Company may request that its shareholders provide the requisite information.
- Note 12. Although as a general rule the intent of shareholders will be confirmed by an ordinary resolution at the General Meeting of Shareholders, in some cases a person who is deemed by the Acquirer, etc. and the Independent Committee to have a special interest in the Acquirer, etc. in relation to the proposal in question by comprehensively taking into account various circumstances, including the purpose, method, and terms of the Acquisition, etc. as well as the potential conflicts of interest between the Acquirer, etc. and general shareholders, will be excluded from the calculation of a requirement for passing a resolution to approve the proposal.
- Note 13. Even if the Company becomes a company issuing class shares (Article 2, Item 13 of the Companies Act) in the future, (i) the shares of the Company issued upon exercise of the Stock Acquisition Rights and (ii) the shares to be delivered in exchange for the acquisition of the Stock Acquisition Rights shall both be the same class of shares (common shares) that the Company currently has issued at the time of this General Meeting of Shareholders.
- Note 14. In principle, this shall mean a holder of share certificates, etc. issued by the Company, whose holding ratio of share certificates, etc., in relation to such share certificates, etc., is 20% or more (including those who are deemed to fall under this category by the Board of Directors of the Company). However, a person whose acquisition and holding of share certificates, etc., of the Company is recognized by the Board of Directors of the Company as not against the corporate value of the Company or the common interests of shareholders, or any other specified person separately determined by the Board of Directors of the Company in the Resolution for Gratis Allocation of Stock Acquisition Rights shall not fall under the category of specified large volume holders. The same shall apply hereinafter in this proposal.
- Note 15. In principle, this applies to a person who has made a public notice of Acquisition (defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; the same shall apply in this note hereinafter) of share certificates (defined in Article 27-2, Paragraph 1 of the same Act; the same shall apply in this note hereinafter), etc., issued by the Company through a tender offer and whose holding (including the cases prescribed in Article 7, Paragraph 1 of the Financial Instruments and Exchange Law Enforcement Order as equivalent thereto) ratio of share certificates, etc., after such Acquisition, together with the holding ratio of share certificates, etc., of persons in a special relationship with such person, is 20% or more (including those who are deemed to fall under these categories by the Board of Directors of the Company). However, a person whose acquisition and holding of share certificates, etc., of the Company is recognized by the Board of Directors of the Company as not against the corporate value of the Company or the common interests of shareholders, or any other specified person separately determined by the Board of Directors of the Company in the Resolution for Gratis Allocation of Stock Acquisition Rights shall not fall under the category of specified large volume acquirer. The same shall apply hereinafter in this proposal.
- Note 16. “Related party” of a given party means a party who substantively controls or is controlled by or is under the common control with the other party (including those who are determined by the Board of Directors of the Company to fall under the said definition) or a party who is determined by the Board of Directors of the Company to act in cooperation with the other party. “Control” means “controlling decisions on financial and business policies” (defined in Article 3, Paragraph 3 of the Enforcement Regulations of the Companies Act) of another company, etc.
- Note 17. However, the Company may set a condition that Non-Qualified Persons may exercise such Stock Acquisition Rights in certain cases. Specifically, in cases where after suspending or revoking the Acquisition, etc. that was already started (if Acquisition, etc. is implemented by means of a tender offer, a notice on revocation of tender offer (main text of Article 27-11, Paragraph 2 of the Financial Instruments and Exchange Act) shall be required), the Acquirer, etc. submits in writing to pledge to (i) not implement an Acquisition, etc. for a certain period of time, (ii) decrease the holding ratio of share certificates, etc. to a certain ratio within a certain period, and (iii) not exercise the right to demand the convocation of an extraordinary General Meeting of Shareholders for a certain period of time, and complies with the written pledge, it may be stipulated that such Acquirer, etc. and other Non-Qualified Persons may exercise their Stock Acquisition Rights held within a certain ratio.

Overview of the Rules of the Independent Committee

- The Independent Committee shall be established by a resolution of the Board of Directors of the Company.
- There will be no less than three members in the Independent Committee, and its members, who shall be independent from the management team responsible for executing the Company's operations, shall be appointed by the Company's Board of Directors from (i) outside Directors of the Company (including persons scheduled to be appointed as such) or (ii) outside Audit & Supervisory Board Members of the Company (including persons scheduled to be appointed as such) or (iii) experts from outside the Company. However, such experts from outside the Company must be experienced corporate managers, parties with knowledge of the investment banking industry or the Company's business domain, lawyers, certified public accountants, researchers whose research focuses on the Companies Act or the like, or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Company's Board of Directors that contains a provision obligating them to exercise their duty of care or a similar provision.
- The term of office for members of the Independent Committee shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years after the conclusion of this General Meeting of Shareholders. However, this shall not apply if otherwise determined by a resolution of the Board of Directors. Moreover, if an Independent Committee member who is an outside Director of the Company or an outside Audit & Supervisory Board Member of the Company ceases to be a Director or Audit & Supervisory Board Member (excluding cases of reelection), the term of office as an Independent Committee member shall also be terminated at the same time.
- In the event of a vacancy in the position of a member of the Independent Committee, new committee members shall be promptly appointed by resolution of the Board of Directors from among candidates who meet the requirements for appointment as described above. The term of office of a newly appointed committee member shall be the same as the remaining term of office of the vacated committee member.
- The Independent Committee shall decide the matters listed in the following items and recommend its decisions to the Board of Directors of the Company clarifying the basis of the decisions. The Board of Directors of the Company shall make resolutions as a corporate body under the Companies Act regarding the implementation or non-implementation of reasonable measures that can be taken under the Gratis Allotment of Stock Acquisition Rights, other laws, and the Company's Articles of Incorporation (hereinafter collectively referred to as "the Gratis Allocation of Stock Acquisition Rights, etc.") with the utmost respect for the recommendations of the Independent Committee. (However, if a separate resolution is made at the General Meeting of Shareholders to confirm shareholder intentions regarding the implementation of the Gratis Allotment of Stock Acquisition Rights, etc., as stipulated in item (i), the Company will follow that resolution.) Each Independent Committee member and each Director of the Company shall make such decisions solely from the perspective of whether the matter in question contributes to the corporate value of the Company and the common interest of shareholders and shall not do so for the purpose of seeking personal benefits for themselves or senior executives of the Company.
 - (i) Implementation or non-implementation of the Gratis Allotment of Stock Acquisition Rights, etc.
 - (ii) The suspension of the Gratis Allotment of Stock Acquisition Rights, etc. or the gratis acquisition of the Stock Acquisition Rights
 - (iii) Other matters on which the Board of Directors has consulted the Independent Committee on matters that should be determined by the Board of Directors
- In addition to the above matters, the Independent Committee may engage in any of the matters listed below.
 - (i) Judgment on applicability of Acquisition, etc. subject to the Plan
 - (ii) Decision on the extension of the Independent Committee Examination Period
 - (iii) Decision on information to be provided by the Acquirer, etc. and the Company's Board of Directors to the Independent Committee and its due date for reply
 - (iv) Scrutiny and examination of the content of the Acquisition, etc. by the Acquirer, etc.
 - (v) Negotiation and discussion with the Acquirer, etc.
 - (vi) Request for submission of alternative plans to the Board of Directors of the Company and examination of alternative plans

- (vii) Approval of revision or change of the Plan
- (viii) Other matters in the Plan on which the Independent Committee may act
- (ix) Matters in which that the Board of Directors of the Company has otherwise designated that the Independent Committee should engage
 - The Independent Committee shall request the Acquirer, etc., to submit additional Necessary Information if it determines that the Acquisition Document and the submitted information are insufficient as the Necessary Information. Furthermore, when the Acquisition Document and the Necessary Information are submitted by the Acquirer, etc., the Independent Committee can also request the Board of Directors of the Company to present their opinions on the content of the Acquisition, etc., the supporting materials, any alternative proposals (if available), and any other information deemed necessary by the Independent Committee within a specified period.
 - The Independent Committee shall, if necessary to improve the content of the Acquisition, etc. from the Acquirer, etc., from the perspective of ensuring and enhancing the corporate value and the common interests of shareholders, engage in discussions and negotiations with the Acquirer, etc., either directly or through the Board of Directors of the Company. Moreover, the Independent Committee shall present alternative proposals from the Board of Directors of the Company, etc., to the shareholders and others.
 - In order to conduct a collection of the necessary information, the Independent Committee may request any Director, Audit & Supervisory Board Member or employee of the Company or any other persons deemed necessary by the Independent Committee to attend its meeting and may request explanations about matters specified by the Independent Committee.
 - The Independent Committee may, at the cost of the Company, obtain advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts).
 - Each Independent Committee Member may convene the Independent Committee at any time in cases of an Acquisition, etc., and others.
 - The resolution of the Independent Committee shall be made by a majority, with at least two-thirds of the Independent Committee members attending.

Appendix 2.

Independent Committee Member Biography

The following four members of the Independent Committee are scheduled to be members of the Independent Committee at the time of the extension of the Plan.

Kaoru Yokomise

Biography

Born on November 19, 1957

April 1981	Joined Kao Soap Co., Ltd. (now Kao Corporation)
October 2013	General Manager of Sustainability Promotion Department, Corporate Communications Division
December 2014	General Manager of Indirect Material Department, Procurement Division
April 2018	Joined the Consumer Affairs Agency
October 2019	Assistant Director for Policy Planning to Director of the Cabinet Office
June 2021	Outside Director (Audit and Supervisory Committee Member) of Matsuda Sangyo Co., Ltd.
June 2022	Outside Director of the Company (current position)

Ms. Kaoru Yokomise is an outside Director as defined in Article 2, Item 15 of the Companies Act. In addition, Ms. Kaoru Yokomise is a candidate for outside Director who satisfies the requirements for candidate for outside Director stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act, and if elected at this General Meeting of Shareholders, she will assume the position of outside Director of the Company. In addition, she is designated as an independent Director as stipulated by the Tokyo Stock Exchange, and if elected as an outside Director at this General Meeting of Shareholders, she will continue to be designated as an independent Director. She has no special interest in the Company.

Chihiro Negishi

Biography

Born on November 2, 1968

January 2008	Joined Pasona Fortune Inc. (now Pasona JOB HUB Inc.) Head of Business Management Office, Head of Executive Search Office
October 2009	Joined Kosaido Co., Ltd. (now KOSAIDO Holdings Co., Ltd.) Senior Staff of Information Initiative
April 2015	Executive Officer, General Manager of HR Business Headquarters, HC Business Division
June 2017	Director, Division Director of HRS Business Division, Head of Solutions Headquarters, and responsible for HR-related companies
June 2018	Managing Director, Supervisor of HR-Related Business, responsible for HR business-related companies, and Promoting Manager of Printing Business Innovation Project
June 2019	President and Representative Director
July 2021	Senior Managing Director, Executive Officer
April 2022	Chairman, Representative Director, and President of Tokyohakuzen Co., Ltd.
April 2022	President and Representative Director of KOSAIDO NEXT Co., Ltd.
June 2022	Senior Managing Director, COO (Chief Operating Officer) of KOSAIDO Holdings Co., Ltd.
April 2023	Chairman and Director of KOSAIDO NEXT Co., Ltd.
June 2024	Vice President and Senior Executive Officer of KOSAIDO Holdings Co., Ltd.

Mr. Chihiro Negishi is a candidate for outside Director who satisfies the requirements for candidate for outside Director stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act and, if elected at this General Meeting of Shareholders, he will assume the position of outside Director of the Company. In addition, he will be designated as an independent Director if he is elected as an outside Director at this General Meeting of Shareholders. He has no special interest in the Company.

Kazumasa Honma

Biography

Born on July 21, 1957

April 1982	Joined Taiyo Kobe Bank, Ltd. (now Sumitomo Mitsui Banking Corporation)
October 1995	Assistant, International Planning Department, Taiyo-Kobe Bank Limited. (now Sumitomo Mitsui Banking Corporation)
October 1997	Seconded to Japan Investors Service, Inc. (now Rating and Investment Information, Inc. (R&I)), Principal analyst
May 2001	Acting General Manager, Markets Research and Development Department, Sumitomo Mitsui Banking Corporation
January 2003	Retired from Sumitomo Mitsui Banking Corporation
January 2012	Registered as an attorney
June 2012	Director, Niigata KOEKISHA Co., Ltd. (current position)
December 2014	Representative Partner, Honma Law Office (current position)
June 2019	Outside Audit & Supervisory Board Member of the Company (current position)

(Significant concurrent positions outside the Company)

Director, Niigata KOEKISHA Co., Ltd.

(Niigata KOEKISHA is a funeral company which has a head office in Niigata city. This company has no capital, personnel or other relationships with the Company.)

Mr. Kazumasa Homma is an outside Audit & Supervisory Board Member as stipulated in Article 2, Item 16 of the Companies Act. In addition, he is designated as an independent Director as stipulated by the Tokyo Stock Exchange. He has no special interest in the Company.

Yuto Mikami

Biography

Born on December 16, 1954

September 1981	Joined Kyowa Hakko Bio Co., Ltd.
December 1983	Joined American Life Insurance Company
January 1989	Joined Sony Pruco Life Insurance Co., Ltd. (now Sony Life Insurance Company)
April 1998	General Manager of Administrative & Planning Department
April 2007	General Manager of Medical Department
April 2010	Joined Memolead Life Co., Ltd., Executive Officer, General Manager of Customer Services
June 2011	Director, Executive Officer, General Manager of Customer Services and Systems
September 2014	Registered as an administrative scrivener
June 2017	President of Yuto Mikami Administrative Scrivener's Office (current position)
June 2019	Outside Audit & Supervisory Board Member of the Company (current position)

Mr. Yuto Mikami is an outside Audit & Supervisory Board Member as defined in Article 2, Item 16 of the Companies Act. In addition, Mr. Mikami is designated as an independent Director as stipulated by the Tokyo Stock Exchange. He has no special interest in the Company.