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(Securities code: 7337)

June 3, 2022

To Shareholders with Voting Rights:

Toshio Heya
Representative Director and President
Hirogin Holdings, Inc.
3-8, Kamiya-cho 1-chome, Nakaku,
Hiroshima-shi, Japan

NOTICE OF CONVOCAION OF THE 2ND ANNUAL SHAREHOLDERS MEETING

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

You are cordially invited to attend the 2nd Annual Shareholders Meeting of Hirogin Holdings, Inc. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by mail or by electromagnetic method (via the Internet). Please review the attached Reference Documents for the Shareholders Meeting and exercise your voting rights in the manner described below by 5:00 p.m. on Thursday, June 23, 2022.

1. Date and Time: Friday, June 24, 2022 at 10:00 a.m. JST

2. Place: The Large Hall, 4F, Head Office Building of Hirogin Holdings, Inc.
3-8, Kamiya-cho 1-chome, Nakaku, Hiroshima-shi, Japan

3. Meeting Agenda:

Matters to be reported: The Business Report, Consolidated Financial Statements and Financial Statements for the Company's 2nd Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Financial Auditor and the Audit and Supervisory Committee

Proposals to be resolved: **Proposal 1:** Partial Amendments to the Articles of Incorporation

Proposal 2: Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal 3: Election of Three Directors Who Are Audit and Supervisory Committee Members

Reference Documents for the Shareholders Meeting

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for shareholders meetings, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 16, Paragraph 1 provides that information contained in the reference documents for the shareholders meeting, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 16, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure and deemed provision of the reference documents for the shareholders meeting, etc. (Article 16 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of Amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Amended Articles of Incorporation
<p>Articles 1 to 15 (Provisions omitted)</p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the Shareholders Meeting, Etc.)</u></p> <p><u>Article 16 The Company may, when convening a shareholders meeting, deem that it has provided information to Shareholders pertaining to matters to be described or indicated in the Reference Documents for the Shareholders Meeting, Business Report, Non-Consolidated Financial Statements, and Consolidated Financial Statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p>	<p>Articles 1 to 15 (Unchanged)</p> <p style="text-align: center;">(Deleted)</p>

Current Articles of Incorporation	Amended Articles of Incorporation
(Newly established)	<p><u>(Measures for Electronic Provision, Etc.)</u> <u>Article 16</u> The Company shall, when convening a shareholders meeting, provide information contained in the reference documents for the Shareholders Meeting, etc. electronically.</p> <p>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to Shareholders who have requested it by the record date for voting rights.</p>
Articles 17 to 39 (Provisions omitted)	Articles 17 to 39 (Unchanged)
Supplementary Provisions	Supplementary Provisions
Articles 1 and 2 (Provisions omitted)	Articles 1 and 2 (Unchanged)
(Newly established)	<p><u>(Effective Date of Measures for Electronic Provision, Etc.)</u> <u>Article 3</u> The deletion of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the Shareholders Meeting, Etc.) of the current Articles of Incorporation and the new establishment of the amended Article 16 (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022, which is the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</p> <p>2. Notwithstanding the provisions of the preceding paragraph, Article 16 of the current Articles of Incorporation shall remain in force with respect to a shareholders meeting to be held on a date within six months from the Effective Date.</p>

Current Articles of Incorporation	Amended Articles of Incorporation
<p>(Deletion of Supplementary Provisions) Article <u>3</u> (Deleted)</p> <p>2. Article 2, Paragraph 3 of these Supplementary Provisions shall be deleted as of the termination of this system (or, if a proposal for change or continuation of this system is submitted to and approved at a shareholders meeting of the Company, at the conclusion of such shareholders meeting).</p> <p>(Newly established)</p>	<p>(Deletion of Supplementary Provisions) Article <u>4</u> (Deleted)</p> <p>2. Article 2, Paragraph 3 of these Supplementary Provisions shall be deleted as of the termination of this system (or, if a proposal for change or continuation of this system is submitted to and approved at a shareholders meeting of the Company, at the conclusion of such shareholders meeting).</p> <p><u>3. Article 3 of these Supplementary Provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the Shareholders Meeting set forth in Article 3, Paragraph 2 of these Supplementary Provisions, whichever is later.</u></p>


Proposal 2: Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)


The terms of office of five incumbent Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the conclusion of this meeting of shareholders meeting. Accordingly, the Company proposes the election of five Directors.


This proposal has been discussed at the Audit and Supervisory Committee. There are no matters to be noted in accordance with the provisions of the Companies Act.


The candidates are as follows:

No.	Name	Current position at the Company	Attendance at the Board of Directors meetings (FY2021)
1	<u>Reappointment</u> Koji Ikeda	Chairman (Representative Director)	100% (14 out of 14 meetings)
2	<u>Reappointment</u> Toshio Heya	President (Representative Director)	92% (13 out of 14 meetings)
3	<u>Reappointment</u> Kazuo Kiyomune	Director & Senior Managing Executive Officer	100% (14 out of 14 meetings)
4	<u>Reappointment</u> Akira Ogi	Director & Senior Managing Executive Officer	100% (14 out of 14 meetings)
5	<u>Reappointment</u> Fumitsugu Kariyada	Director & Managing Executive Officer	100% (14 out of 14 meetings)

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings	Number of shares of the Company held
1	 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> Koji Ikeda (September 3, 1953)	April 1977 Joined The Hiroshima Bank, Ltd. April 2006 Executive Officer; General Manager, Fukuyama Sales Division, The Hiroshima Bank, Ltd. April 2008 Managing Executive Officer; General Manager, Fukuyama Sales Division, The Hiroshima Bank, Ltd. April 2009 Managing Executive Officer; General Manager, Management Planning Division, The Hiroshima Bank, Ltd. June 2009 Managing Director; General Manager, Management Planning Division, The Hiroshima Bank, Ltd. April 2011 Managing Director, The Hiroshima Bank, Ltd. June 2012 President (Representative Director), The Hiroshima Bank, Ltd. June 2018 Chairman (Representative Director), The Hiroshima Bank, Ltd. October 2020 Chairman (Representative Director), the Company (current position) April 2022 Chairman, The Hiroshima Bank, Ltd. (current position) (Significant concurrent positions) Chairman, The Hiroshima Bank, Ltd. President, The Hiroshima Chamber of Commerce and Industry	100% (14 out of 14 meetings)	16,700
<p>[Reason for nomination as a candidate for Director] Mr. Koji Ikeda, as a member of the Group since 1977, has served mainly in Business Division and Planning Division, and has a wealth of experience as well as thorough knowledge about overall operations. He also has extensive experience in management with his service as President (Representative Director) of The Hiroshima Bank, Ltd. since June 2012, Chairman (Representative Director) of The Hiroshima Bank, Ltd. since June 2018 and Chairman (Representative Director) of the Company since October 2020. The Company nominated him as a candidate for Director because we can expect him to strengthen the effectiveness of decision-making function and supervisory function of the Board of Directors by leveraging his experience and knowledge therein.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings	Number of shares of the Company held
2	 <u>Reappointment</u> Toshio Heya (May 1, 1960)	April 1983 Joined The Hiroshima Bank, Ltd. April 2008 General Manager, Hiroshima-Higashi Branch, The Hiroshima Bank, Ltd. April 2011 General Manager, Management Planning Division, The Hiroshima Bank, Ltd. April 2013 Executive Officer; General Manager, Head Office Business Department, The Hiroshima Bank, Ltd. April 2015 Managing Executive Officer; General Manager, Head Office Business Department, The Hiroshima Bank, Ltd. April 2016 Managing Executive Officer, The Hiroshima Bank, Ltd. June 2016 Director & Managing Executive Officer, The Hiroshima Bank, Ltd. June 2018 President (Representative Director), The Hiroshima Bank, Ltd. October 2020 President (Representative Director), the Company (current position) April 2022 Director, The Hiroshima Bank, Ltd. (current position) (scheduled to retire on June 24, 2022) (Significant concurrent positions) Director, The Hiroshima Bank, Ltd. (scheduled to retire on June 24, 2022) (Responsibilities) General Manager, Secretariat Department General Manager, Digital Innovation Division	92% (13 out of 14 meetings)	8,561
<p>[Reason for nomination as a candidate for Director] Mr. Toshio Heya, as a member of the Group since 1983, has served mainly in Business Division and Planning Division, and has a wealth of experience as well as thorough knowledge about overall operations. He also has extensive experience in management with his service as President (Representative Director) of The Hiroshima Bank, Ltd. since June 2018 and President (Representative Director) of the Company since October 2020. The Company nominated him as a candidate for Director because we can expect him to strengthen the effectiveness of decision-making function and supervisory function of the Board of Directors by leveraging his experience and knowledge therein.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings	Number of shares of the Company held
3	 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> Kazuo Kiyomune (February 8, 1963)	<p>April 1986 Joined The Hiroshima Bank, Ltd.</p> <p>October 2008 General Manager, Loan Business Planning Department of Banking Business Planning Division, The Hiroshima Bank, Ltd.</p> <p>April 2010 General Manager, Loan Business Planning Department of Loan Business Planning Division, The Hiroshima Bank, Ltd.</p> <p>April 2013 General Manager, Honkawa Branch, The Hiroshima Bank, Ltd.</p> <p>April 2015 General Manager, Otemachi Branch, The Hiroshima Bank, Ltd.</p> <p>April 2018 Executive Officer; General Manager, Kure Branch and Kure City Hall Sub-branch, The Hiroshima Bank, Ltd.</p> <p>April 2020 Managing Executive Officer, The Hiroshima Bank, Ltd.</p> <p>June 2020 Director & Managing Executive Officer, The Hiroshima Bank, Ltd.</p> <p>October 2020 Director & Managing Executive Officer, the Company</p> <p>April 2022 Director & Senior Managing Executive Officer, the Company (current position) President (Representative Director), The Hiroshima Bank, Ltd. (current position)</p> <p>(Significant concurrent positions) President (Representative Director), The Hiroshima Bank, Ltd.</p>	100% (14 out of 14 meetings)	7,100
<p>[Reason for nomination as a candidate for Director] Mr. Kazuo Kiyomune, as a member of the Group since 1986, has served mainly in Business Division and Planning Division, and has a wealth of experience as well as thorough knowledge about overall operations. The Company nominated him as a candidate for Director because we can expect him to strengthen the effectiveness of decision-making function and supervisory function of the Board of Directors by leveraging his experience and knowledge therein.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings	Number of shares of the Company held
4	 <u>Reappointment</u> Akira Ogi (July 3, 1963)	April 1986 Joined The Hiroshima Bank, Ltd. April 2008 General Manager, Business Planning Department of Banking Business Planning Division, The Hiroshima Bank, Ltd. April 2013 General Manager, Hiro Branch, The Hiroshima Bank, Ltd. April 2015 General Manager, Personnel & General Affairs Division, The Hiroshima Bank, Ltd. April 2016 General Manager, Management Planning Division, The Hiroshima Bank, Ltd. April 2017 Executive Officer; General Manager, Management Planning Division, The Hiroshima Bank, Ltd. October 2018 Managing Executive Officer, The Hiroshima Bank, Ltd. June 2019 Director & Managing Executive Officer, The Hiroshima Bank, Ltd. April 2020 Director & Senior Managing Executive Officer, The Hiroshima Bank, Ltd. October 2020 Director & Senior Managing Executive Officer, the Company (current position) April 2022 Director & Senior Managing Executive Officer (Representative Director), The Hiroshima Bank, Ltd. (current position) (Significant concurrent positions) Director & Senior Managing Executive Officer (Representative Director), The Hiroshima Bank, Ltd. (Responsibilities) General Manager, Management Planning Division General Manager, Economic and Industrial Research Division Deputy General Manager, Digital Innovation Division	100% (14 out of 14 meetings)	11,500
[Reason for nomination as a candidate for Director] Mr. Akira Ogi, as a member of the Group since 1986, has served mainly in Planning Division, Business Division, and Personnel Division, and has a wealth of experience as well as thorough knowledge about overall operations. The Company nominated him as a candidate for Director because we can expect him to strengthen the effectiveness of decision-making function and supervisory function of the Board of Directors by leveraging his experience and knowledge therein.				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings	Number of shares of the Company held
5	 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> Fumitsugu Kariyada (March 23, 1965)	April 1987 Joined The Hiroshima Bank, Ltd. June 2007 General Manager, Planning Department of Management Planning Division, The Hiroshima Bank, Ltd. April 2012 General Manager, Furuichi Branch, The Hiroshima Bank, Ltd. April 2014 Deputy General Manager, Banking Business Planning Division, The Hiroshima Bank, Ltd. April 2015 General Manager, Banking Business Planning Division, The Hiroshima Bank, Ltd. April 2018 Executive Officer; General Manager, Tokyo Branch, The Hiroshima Bank, Ltd. April 2020 Managing Executive Officer, The Hiroshima Bank, Ltd. Advisor, Hirogin Securities Co., Ltd. June 2020 President (Representative Director), Hirogin Securities Co., Ltd. (current position) October 2020 Director & Managing Executive Officer, the Company (current position) (Significant concurrent positions) President (Representative Director), Hirogin Securities Co., Ltd.	100% (14 out of 14 meetings)	18,100
<p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Fumitsugu Kariyada, as a member of the Group since 1987, has served mainly in Planning Division and Business Division, and has a wealth of experience as well as thorough knowledge about overall operations.</p> <p>He also has extensive experience in management with his service as President (Representative Director) of Hirogin Securities Co., Ltd. since June 2020. The Company nominated him as a candidate for Director because we can expect him to strengthen the effectiveness of decision-making function and supervisory function of the Board of Directors by leveraging his experience and knowledge therein.</p>				

(Notes)

1. There are no special interests between the candidates and the Company.
2. The Company has entered into a Directors and Officers liability insurance contract stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insured of this insurance agreement including the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members), shall receive compensation for their liability borne from performance of their duties and for the damages including the litigation cost arising from claims in pursuit of that liability. However, the policy does include certain exemption clauses, such as for the acts in violation of laws or regulations that were carried out with full knowledge of their illegality. If this proposal is approved and passed, the candidates will be covered by the insurance agreement. In addition, The Company plans to renew the said insurance agreement with the same contents at the next renewal.


Proposal 3: Election of Three Directors Who Are Audit and Supervisory Committee Members


The terms of office of three Directors who are Audit and Supervisory Committee Members, Ms. Kaori Maeda, Mr. Yoshinori Takahashi and Mr. Satoshi Miura will expire at the conclusion of this Shareholders Meeting. Accordingly, the Company proposes the election of three Directors who are Audit and supervisory Committee Members.


The proposal has been approved by the Audit and Supervisory Committee.

The candidates are as follows:

No.	Name	Current position at the Company	Attendance at the Board of Directors meetings (FY2021)	Attendance at the Audit and Supervisory Committee (FY2021)
1	<div style="display: flex; align-items: center;"><div style="margin-right: 10px;"><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Reappointment</div><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">External</div><div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div></div><div>Satoshi Miura</div></div>	Director (Audit and Supervisory Committee Member)	100% (14 out of 14 meetings)	100% (15 out of 15 meetings)
2	<div style="display: flex; align-items: center;"><div style="margin-right: 10px;"><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">New appointment</div><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">External</div><div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div></div><div>Hiroko Tani</div></div>	-	-	-
3	<div style="display: flex; align-items: center;"><div style="margin-right: 10px;"><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">New appointment</div><div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">External</div><div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div></div><div>Toshiaki Kitamura</div></div>	-	-	-

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings and the Audit and Supervisory Committee	Number of shares of the Company held
1	 <p style="text-align: center;"> External Independent Reappointment </p> <p style="text-align: center;">Satoshi Miura (April 3, 1944)</p>	<p>April 1967 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>June 1996 Senior Vice President and Head of the Personnel, Nippon Telegraph and Telephone Corporation</p> <p>June 1998 Executive Vice President and Head of the Personnel Industrial Relations, Nippon Telegraph and Telephone Corporation</p> <p>June 2002 President and Representative Director, Nippon Telegraph and Telephone East Corporation</p> <p>June 2007 President & CEO, Nippon Telegraph and Telephone Corporation</p> <p>June 2012 Chairman of the Board, Nippon Telegraph and Telephone Corporation</p> <p>June 2016 Director, The Hiroshima Bank, Ltd.</p> <p>June 2018 Special Advisor, Nippon Telegraph and Telephone Corporation (current position)</p> <p>October 2020 Director (Audit and Supervisory Committee Member), the Company (current position)</p> <p>(Significant concurrent positions) External Director, Nippon Life Insurance Company External Director, Tokyu Fudosan Holdings Corporation</p>	<p>Attendance at the Board of Directors meetings and the Audit and Supervisory Committee</p> <p>Attendance at the Board of Directors meetings 100% (14 out of 14 meetings)</p> <p>Attendance at the Audit and Supervisory Committee 100% (15 out of 15 meetings)</p>	<p>10,100</p>
<p>[Reason for nomination as a candidate for Director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Satoshi Miura has a wealth of experience and a wide range of knowledge as a corporate manager with his service as President & CEO and Chairman of the Board of Nippon Telegraph and Telephone Corporation, etc.</p> <p>He had served as Director of The Hiroshima Bank, Ltd. since June 2016 and has served as Director (Audit and Supervisory Committee Member) of the Company since October 2020. The Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member because we believe that we can expect him to continue to contribute to strengthening the effectiveness of decision-making function and supervisory function of the Board of Directors from a position independent of management by leveraging his wealth of experience and wide range of knowledge therein.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings and the Audit and Supervisory Committee	Number of shares of the Company held
2	 <p>External Independent New appointment</p> <p>Hiroko Tani (July 3, 1955)</p>	<p>November 1982 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>August 1989 Registered as Certified Public Accountant</p> <p>June 2004 Employee of KPMG AZSA & Co. (currently KPMG AZSA LLC)</p> <p>July 2018 Representative, Tani Certified Public Accountant Office (current position)</p> <p>July 2019 Representative Partner, Choshu Audit Corporation (current position) (scheduled to retire on June 30, 2022)</p> <p>June 2020 External Member of the Board of Directors (Audit & Supervisory Committee Member), Kyushu Electric Power Co., Inc. (current position) (scheduled to retire on June 28, 2022)</p> <p>(Significant concurrent positions) External Member of the Board of Directors (Audit & Supervisory Committee Member), Kyushu Electric Power Co., Inc. (scheduled to retire on June 28, 2022)</p>	<p>Attendance at the Board of Directors meetings -</p> <p>Attendance at the Audit and Supervisory Committee -</p>	-
<p>[Reason for nomination as a candidate for Director who is an Audit and Supervisory Committee Member and expected roles] Ms. Hiroko Tani has a wealth of experience as well as a wide range of knowledge of finance and accounting as a Certified Public Accountant and also has experience as a Member of the Board of Director (Audit & Supervisory Committee Member) of a listed company. The Company nominated her as a candidate for Director who is an Audit and Supervisory Committee Member because we believe that we can expect her to contribute to strengthening the effectiveness of decision-making function and supervisory function of the Board of Directors from a position independent of management by leveraging her wealth of experience and wide range of knowledge as an expert on finance and accounting.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Attendance at the Board of Directors meetings and the Audit and Supervisory Committee	Number of shares of the Company held
3	 <p style="text-align: center;"> External Independent New appointment </p> <p>Toshiaki Kitamura (September 27, 1955)</p>	<p>April 1983 Joined Fujitsu Limited July 2000 Associate Professor, Center for Information and Multimedia Studies, Kyoto University April 2002 Professor, Department of Computer and Network Engineering, Faculty of Information Sciences, Hiroshima City University April 2014 Guest Senior Researcher, Green Computing Systems Research Organization, Waseda University (Guest Professor, Research Council) (current position) April 2016 Fellow, Oscar Technology Corporation July 2016 Professor emeritus, Hiroshima City University (current position)</p>	<p>Attendance at the Board of Directors meetings and the Audit and Supervisory Committee</p> <p>Attendance at the Board of Directors meetings -</p> <p>Attendance at the Audit and Supervisory Committee -</p>	<p>-</p>
<p>[Reason for nomination as a candidate for Director who is an Audit and Supervisory Committee Member and expected roles] Mr. Toshiaki Kitamura has a wealth of experience as well as a wide range of knowledge as an academic expert in the field of IT. The Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member because we believe that we can expect him to contribute to strengthening the effectiveness of decision-making function and supervisory function of the Board of Directors from a position independent of management by leveraging his wealth of experience and wide range of knowledge as an expert on IT.</p>				

(Notes)

1. There are no special interests between the candidates and the Company.
2. Mr. Satoshi Miura will have been a Director (Audit and Supervisory Committee Member) of the Company for one year and nine months at the conclusion of this Shareholders Meeting.
3. The Company has registered Mr. Satoshi Miura as an independent officer with the Tokyo Stock Exchange, Inc. pursuant to its regulations. Ms. Hiroko Tani and Mr. Toshiaki Kitamura also satisfy the requirements for independent officer as stipulated by the Tokyo Stock Exchange, Inc., and the Company plans to register them as independent officers with the same exchange.
4. The Company has entered into an agreement with Directors who are Audit and Supervisory Committee Members, pursuant to Article 427, paragraph (1) of the Companies Act, to limit their liability for damages set forth in Article 423, paragraph (1) of the same act. The limit of the liability for damages for Directors who are Audit and Supervisory Committee Members under the agreement shall be the minimum liability amount provided in applicable laws and regulations. If this proposal is approved and passed, the Company intends to enter into a similar agreement with each candidate.
5. The Company has entered into a Directors and Officers liability insurance contract stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insured of this insurance agreement including the Company's Directors who are Audit and Supervisory Committee Members, shall receive compensation for their liability borne from performance of their duties and for the damages including the litigation cost arising from claims in pursuit of that liability. However, the policy does include certain exemption clauses, such as for the acts in violation of laws or regulations that were carried out with full knowledge of their illegality. If this proposal is approved and passed, each candidate will be covered by the insurance agreement. In addition, the Company plans to renew the said insurance agreement with the same contents at the next renewal.

<Reference>

Skills Matrix of Directors

Directors

Name	Position	Experience and expertise			
		Management strategy	Legal affairs/risk management	Business strategy	DX/IT/System
Koji Ikeda	Chairman (Representative Director)	●	●	●	●
Toshio Heya	President (Representative Director)	●	●	●	●
Kazuo Kiyomune	Director & Senior Managing Executive Officer	●		●	
Akira Ogi	Director & Senior Managing Executive Officer	●		●	●
Fumitsugu Kariyada	Director & Managing Executive Officer	●		●	
Yuji Eki	Director (Audit and Supervisory Committee Member)		●		

External Directors

Name	Position	Areas of expertise particularly expected		
		Corporate management	Finance/accounting	DX/IT/System
Satoshi Miura	Director (Audit and Supervisory Committee Member)	●		●
Hiroko Tani	Director (Audit and Supervisory Committee Member)		●	
Toshiaki Kitamura	Director (Audit and Supervisory Committee Member)			●

(Note) The above lists do not show all knowledge, experiences, capabilities, etc. possessed by each Director.

<Reference>

Criteria for Independence of External Directors

1. The Company defines an independent External Director as a person who satisfies the requirements for External Director stipulated in Article 2, paragraph (15) of the Companies Act and the criteria for independence of External Director stipulated by the Tokyo Stock Exchange and currently does not fall or has not recently fallen under any of the requirements of the following (1) through (6).
 - (1) A Major shareholder of the Company or an Executive Director, Executive Officer, Manager or other Employee thereof (hereinafter referred to as "Executive Director, etc.")
 - (2) A person for whom the Group is a Major Customer or an Executive Director, etc. thereof
 - (3) A Major Customer of the Group or an Executive Director, etc. thereof
 - (4) A Consultant, an Accounting Expert or a Legal Expert who obtains a large amount of money or other properties from the Group (including, if the party who obtains such properties is a corporation, an association or the like, a person belonging to such corporation, the association or the like)
 - (5) A person receiving a large amount of donations or the like from the Group or a person who executes business thereof
 - (6) A close relative of any of the following persons (excluding a person who is not important)
 - (a) A person who falls under any of (1) through (5) above
 - (b) A person who executes business of the Group, such as a director, an executive officer or other employee thereof

* The definitions of the terms used in the above description are as follows.

(i) Recently	Refers to the period of time that can be deemed to be substantially same as the present. For example, a case where a person falls under any of the requirements at the time when the content of the proposal of nomination as External Director is determined is included.
(ii) Major shareholder	A Shareholder who directly or indirectly holds 10% or more of the voting rights
(iii) Major	Judged as "Major" based on the criteria of 2% or more of the consolidated net sales (the consolidated gross profit in case of the Group) for the most recent fiscal year
(iv) Large amount	Refers to 10 million yen or more per year for the average of the previous three years
(v) Person who is not important	A person who is not "in the position of officer or manager of a company and, if a person belongs to an accounting or law firm, a certified public accountant or a lawyer"
(vi) Close relative	A spouse and a relative within a second degree of kinship

2. Even if a person does not formally fall under the requirements of (1) through (6) above, should any doubt arise as to his/her independency as a result of comprehensive judgment, the independency may be denied. In addition, even if a person falls under any one of the above (1) through (6), the person may be nominated as a candidate for independent external director of the Company if the person is deemed to be suitable as an independent external director of the Company in light of his or her personality, insights, etc. In such cases, the Company shall explain to external parties the reasons why the Company considers that the person satisfies the requirements for external director stipulated in the Companies Act and the criteria for independent officer stipulated by the Tokyo Stock Exchange, and that the person is suitable as an independent external director of the Company.