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Securities Code: 4318

June 2, 2022

To Our Shareholders:

Ichiro Kawaguchi, President and Representative Director
QUICK CO., LTD.
2-4, Komatsubaracho, Kita-ku, Osaka, Japan

Notice of the 42nd Annual General Meeting of Shareholders

It is a pleasure to inform you that the 42nd Annual General Meeting of Shareholders of QUICK CO., LTD. (the “Company”) will be held as indicated below.

The situation of the novel coronavirus disease (COVID-19) has been worrisome. You can exercise your voting rights by mail or by using the Internet, etc. instead of attending the meeting in person; so please read the attached Reference Documents for the General Meeting of Shareholders and consider exercising your voting rights by referring to the “Guidance on Exercising Voting Rights” (in Japanese only), by no later than 6:00 p.m. on Tuesday, June 21, 2022 (Japan Time).

- 1. Date and Time:** Wednesday, June 22, 2022 at 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)
- 2. Venue:** Zuicho, 6th floor, Hotel Hankyu International
19-19 Chayamachi, Kita-ku, Osaka, Japan

3. Purpose of the Meeting

Matters to be reported

1. Business Report and Consolidated Financial Statements for the 42nd Term (from April 1, 2021 to March 31, 2022), as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-consolidated Financial Statements for the 42nd Term (from April 1, 2021 to March 31, 2022)

Matters to be resolved

- | | |
|-----------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Revision of Remuneration to Grant Shares With Transfer Restrictions to Directors (Excluding Outside Directors and Directors Who Are Audit and Supervisory Committee Members) |

- Among the documents that should be submitted in accordance with the provisions of relevant laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following items are listed on the website of the Company on the Internet (<https://919.jp/>). Therefore, they are not included in this Notice of the 42nd Annual General Meeting of Shareholders.
 - Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements of Consolidated Financial Statements
 - Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements of Non-consolidated Financial Statements
- Therefore, the Consolidated and Non-consolidated Financial Statements listed in this Notice of the 42nd Annual General Meeting of Shareholders are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Corporate Auditors to prepare the Audit Report and the Accounting Auditor to create the Accounting Audit Report.
- When there are amendments in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, we will post them on our website (<https://919.jp/>) on the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Year-end dividend

The Company would like to carry out the payment of year-end dividend based on the ordinary dividend, which is 40% of the profit attributable to shareholders of parent company based on our dividend policy as a guideline, and thus set the amount of year-end dividend for this fiscal year to be ¥28 per share.

As a payment of ¥20 per share was carried out as an interim dividend, total dividends per share for this fiscal year will be ¥48.

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥28 per common share of the Company.

In this event, the total dividends will be ¥528,003,700.

(3) Effective date of dividends of surplus

The effective date of the dividends will be June 23, 2022.

2. Other appropriation of surplus

Internal reserves are set as follows to reinforce our management base preparing for aggressive business development in the future:

(1) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥800,000,000

(2) Item of surplus to be increased and amount of increase

General reserve: ¥800,000,000

Proposal No. 2 Amendment to the Articles of Incorporation

1. Reasons for the proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 16, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 16, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the amendments

The details of the amendments are as follows:

(Underlined portion indicate amendments.)

Current Articles of Incorporation	Proposed amendments
<p>Chapter III General Meeting of Shareholders <u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 16</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)</p>	<p>Chapter III General Meeting of Shareholders (Deleted)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u> <u>Article 16</u> <u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may omit stating all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>
<p>Supplementary Provisions (Transitional Measures Regarding the Exemption of Corporate Auditors from Liability) (Omitted)</p>	<p>Supplementary Provisions (Transitional Measures Regarding the Exemption of Corporate Auditors from Liability) (Unchanged) <u>(Transitional Measures Regarding Measures, etc. for Providing Information in Electronic Format)</u></p>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<ol style="list-style-type: none"> <li data-bbox="820 197 1437 539">1. <u>The deletion of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the Articles of Incorporation and the establishment of the Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u> <li data-bbox="820 539 1437 763">2. <u>Notwithstanding the provision of the preceding paragraph, Article 16 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <li data-bbox="820 763 1437 983">3. <u>These Supplementary Provisions (Transitional Measures Regarding Measures, etc. for Providing Information in Electronic Format) shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal No. 3 Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The term of office of all seven Directors (excluding Directors who are Audit and Supervisory Committee members; hereinafter, the same in this proposal) will expire when this General Meeting of Shareholders concludes. Therefore, the Company proposes the election of eight Directors including one Outside Director, increasing the number of Directors by one for strengthening its management structure.

Regarding this proposal, the Audit and Supervisory Committee of the Company has judged that all candidates for Directors are qualified for their positions.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company		Attendance at Board of Directors meetings (Attendance rate)
1	Tsutomu Wano	Chairman and Representative Director Group CEO	Reelection	18/18 times (100%)
2	Ichiro Kawaguchi	President and Representative Director General Manager of Personnel Placement Business Division	Reelection	18/18 times (100%)
3	Yoshiki Nakai	Director and Executive Officer General Manager of Recruiting Business Division	Reelection	18/18 times (100%)
4	Isao Yokota	Director and Executive Officer General Manager of Global Business Division	Reelection	18/18 times (100%)
5	Kizuki Hayashi	Director and Executive Officer	Reelection	18/18 times (100%)
6	Nobuaki Nakajima	Director	Reelection	18/18 times (100%)
7	Kenta Kijima	Senior Executive Officer General Manager of Administration and Accounting Division	New election	—
8	Seiko Nakai	Director (Outside)	Reelection Outside Independent	18/18 times (100%)

Reelection: Candidate for reelection

New election: New candidate

Outside: Candidate for Outside Director

Independent: Independent officer as defined by Tokyo Stock Exchange, Inc.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
1	Tsutomu Wano (May 7, 1949) Reelection Attendance at Board of Directors meetings 18/18 times	Sept. 1980 Founded the Company President and Representative Director Apr. 2005 Group CEO (current position) June 2019 Chairman and Representative Director (current position) Significant concurrent positions outside the Company President of Shanghai Quick CO., LTD. President of Shanghai Quick Human Resources CO., LTD.	462,852 shares
	<p>Reasons for nomination as candidate for Director</p> <p>Tsutomu Wano is the founder of the Company. When he established the Company in 1980, he became President and Representative Director. (He assumed the office of Chairman and Representative Director in June 2019.) Based on his extensive experience and deep knowledge related to corporate management, Mr. Wano has been taking control of our business and developing the Company with his strong leadership and decision-making up to the present time. We continue to believe that he is an appropriate and talented person to realize sustainable growth and a higher corporate value for the Company.</p>		
2	Ichiro Kawaguchi (October 13, 1956) Reelection Attendance at Board of Directors meetings 18/18 times	Sept. 2005 Joined the Company as General Manager of Personnel Placement Sales Division Apr. 2006 General Manager of Personnel Placement Business Division (current position) June 2016 Director and Executive Officer June 2017 Managing Director and Executive Officer June 2019 President and Representative Director (current position) Apr. 2020 President of Career System CO., LTD. Dec. 2021 Chairman and Representative Director of Quick Care Jobs Co., Ltd. (current position) Significant concurrent positions outside the Company Chairman and Representative Director of Quick Care Jobs Co., Ltd.	46,400 shares
	<p>Reasons for nomination as candidate for Director</p> <p>Ichiro Kawaguchi has been engaged in operating the human resources business over many years, and has extensive experience and knowledge in the area. Since joining the Company, he has been focusing on expanding the business performance of the personnel placement business, and established it as the pillar of our business. In addition, he was appointed as President and Representative Director of the Company in June 2019. Based on his abundant experience in and knowledge of the human resources business, Mr. Kawaguchi has been playing an adequate role to enhance not only the personnel placement business but also the total business performance of the Company. Therefore, we continue to believe that he is an appropriate and talented person for improving the corporate value.</p>		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
3	<p data-bbox="341 501 528 557">Yoshiki Nakai (October 14, 1962)</p> <p data-bbox="384 595 488 618">Reelection</p> <p data-bbox="320 658 552 745">Attendance at Board of Directors meetings 18/18 times</p>	<p data-bbox="611 264 715 286">Mar. 1989</p> <p data-bbox="611 300 715 322">Apr. 1998</p> <p data-bbox="611 362 715 385">Apr. 2002</p> <p data-bbox="611 425 715 448">June 2005</p> <p data-bbox="611 461 715 483">Oct. 2006</p> <p data-bbox="611 524 715 546">Apr. 2011</p> <p data-bbox="611 627 715 649">Apr. 2019</p> <p data-bbox="611 730 715 752">Apr. 2021</p> <p data-bbox="611 792 715 815">Apr. 2022</p> <p data-bbox="611 855 1203 978"> Significant concurrent positions outside the Company President of Colorful Company, Inc. Chairman and Representative Director of Career System CO. LTD. </p>	143,300 shares
<p data-bbox="272 987 754 1010">Reasons for nomination as candidate for Director</p> <p data-bbox="272 1019 1436 1205"> Yoshiki Nakai has extensive experience and knowledge mainly in the areas of the recruiting and information publishing businesses. As Director and Executive Officer of the Company, he was appointed as President of KCC CO., LTD. (current Colorful Company, Inc.), which is one of our subsidiaries, in 2011 and has been focusing on improving the performance of the information publishing business. In April 2019, he was appointed as General Manager of Recruiting Business Division of the Company, and is also devoted to enhancing the performance of the recruiting business. Therefore, we believe that he will continue playing an adequate role in improving the performance of both businesses. </p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares owned
4	Isao Yokota (January 3, 1962) Reelection Attendance at Board of Directors meetings 18/18 times	<p>July 2003 Joined the Company</p> <p>Oct. 2003 Manager of Osaka Recruiting Sales Department</p> <p>Apr. 2004 Executive Officer and Manager of Osaka Recruiting Sales Department</p> <p>June 2006 Director (current position)</p> <p>Oct. 2006 General Manager of West Japan Recruiting Business Division</p> <p>Jan. 2008 General Manager of West Japan Recruiting Business Division and Responsible for the Overseas Business</p> <p>Apr. 2011 Executive Officer, General Manager of Recruiting Business Division and Responsible for the Overseas Business</p> <p>Apr. 2016 Executive Officer, General Manager of Recruiting Business Division, Manager of Tokyo Sales Department and Responsible for the Overseas Business</p> <p>Apr. 2017 Executive Officer, General Manager of Recruiting Business Division, and Manager of Tokyo Sales Department President of QUICK GLOBAL CO., LTD.</p> <p>Apr. 2019 Executive Officer of the Company (current position) President of QUICK USA, Inc.</p> <p>Apr. 2020 General Manager of Global Business Division of the Company (current position)</p> <p>Jan. 2021 President of QUICK GLOBAL MEXICO, S.A. DE C.V. (current position)</p> <p>Significant concurrent positions outside the Company President of QUICK GLOBAL MEXICO, S.A. DE C.V.</p>	62,800 shares
<p>Reasons for nomination as candidate for Director</p> <p>Isao Yokota has extensive experience and knowledge mainly in the areas of the recruiting and overseas businesses. As Director and Executive Officer of the Company, he has been expanding the performance of the recruiting business while being responsible for the overseas business. Since April 2019, he has been concentrating on the overseas business and continuing to focus on enhancing the global business. Therefore, we believe that he will play an adequate role in improving the performance of the business.</p>			
5	Kizuki Hayashi (July 5, 1962) Reelection Attendance at Board of Directors meetings 18/18 times	<p>Apr. 1985 Joined the Company</p> <p>Oct. 1994 Manager of Tokyo Recruiting Sales Department</p> <p>Apr. 2000 President of iQ CO., LTD. (current HR Vision Co., Ltd.) (current position)</p> <p>Apr. 2005 Executive Officer of the Company</p> <p>June 2006 Director (current position)</p> <p>Apr. 2011 Executive Officer (current position)</p> <p>Significant concurrent positions outside the Company President of HR Vision Co., Ltd.</p>	277,400 shares
<p>Reasons for nomination as candidate for Director</p> <p>Kizuki Hayashi has extensive experience and knowledge mainly in the areas of the recruiting, IT and Internet-related businesses. As Director and Executive Officer of the Company, he is concurrently serving as President of HR Vision Co., Ltd., which is one of our subsidiaries. Since its establishment in 2000 until today, he has been delivering sufficient results in expanding the performance of the IT and Internet-related businesses of the company. Therefore, we believe that he will continue playing an adequate role in improving the performance of the business.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility		Number of the Company's shares owned
6	Nobuaki Nakajima (October 19, 1952) Reelection Attendance at Board of Directors meetings 18/18 times	Sept. 1980	Joined the Company	356,804 shares
		June 1981	Director	
		May 1998	Senior Managing Director	
		Apr. 2002	General Manager of Sales Division	
		Oct. 2006	Chief Sales Officer	
		Apr. 2011	Executive Vice-President	
		June 2013	President of Career System CO., LTD.	
		June 2019	Executive Vice-Chairman of the Company	
		June 2021	Director of the Company (current position)	
Reasons for nomination as candidate for Director Nobuaki Nakajima is one of the founding members. Based on his extensive business experience and deep knowledge, he has been supporting Tsutomu Wano, the current Chairman and Representative Director, for many years and contributing to the development of the Company. In addition, until he resigned as Chief Sales Officer in June 2019, he had been improving business performance by taking control of the personnel placement and recruiting businesses, which are the pillars of our business, and served as President of Career System CO., LTD., which is one of our subsidiaries, focusing on the expansion of the business performance of the personnel placement business. Therefore, we continue to believe that he is an appropriate and talented person for improving the corporate value.				
7	Kenta Kijima (March 16, 1974) New election Attendance at Board of Directors meetings —	May 2001	Joined the Company	6,000 shares
		Apr. 2010	Manager of Tokyo Metropolitan Area Sales Department Second Division under Personnel Placement Business Division	
		Apr. 2011	Manager of Sales Department Second Division under Personnel Placement Business Division	
		Apr. 2018	Executive Officer of the Company	
		July 2018	Manager of Sales Department First Division under Personnel Placement Business Division	
		Apr. 2020	Senior Executive Officer of the Company (current position)	
		Apr. 2021	General Manager of Administration and Accounting Division (current position)	
Reasons for nomination as candidate for Director Kenta Kijima has extensive experience and knowledge mainly in the personnel placement business. Since joining the Company, he has contributed to the improvement of personnel placement business performance and the launch of new businesses. As Senior Executive Officer of the Company, he was appointed as General Manager of Administration and Accounting Division of the Company in April 2021. In these positions, Mr. Kijima is devoted to enhancing corporate compliance and reforming the personnel system. We propose his election as a new Director, taking the view based on these achievements and other factors that he is a talented person suited for our efforts to realize corporate value enhancement.				
8	Seiko Nakai (June 26, 1962) Reelection Outside Independent Attendance at Board of Directors meetings 18/18 times	Apr. 1986	Joined the Company	— shares
		May 1987	Joined Osaka College of Foreign Languages	
		Feb. 1996	Established Heart and Career Co., Ltd., President	
		May 2011	Established Shell mail CO., LTD., President (current position)	
		June 2016	Director of the Company (current position)	
		Significant concurrent positions outside the Company President of Shell mail Co., Ltd.		
Reasons for nomination as candidate for Outside Director and expected role As an owner of another human resources company, Seiko Nakai has extensive business experience and wide knowledge mainly in the areas of human resources and career development as well as corporate training, etc. We propose her election expecting that she will continue playing an adequate role in making important managerial decisions, supervising business execution, etc.				

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Kenta Kijima is a candidate for new Director.
 3. Seiko Nakai is a candidate for Outside Director.
 4. Seiko Nakai had been an employee of the Company from April 1986 until April 1987. It has been 35 years since she resigned as an employee of the Company.
 5. Seiko Nakai is currently an Outside Director of the Company. At the conclusion of this meeting, her tenure will have been six years.
 6. The Company has entered into a limited liability agreement with Seiko Nakai. If her reelection is approved, the Company plans to renew the agreement with her. A summary of the agreement is as follows:
 - When the non-executive Director becomes liable to the Company for damages due to a failure to perform her duties, she will be responsible up to the minimum liability amount provided for by Article 425, paragraph (1) of the Companies Act.
 - The limitation of liability above is applicable only if the Director has acted in good faith and without gross negligence in performing her duties which caused her liability.
 7. The Company plans to enter into a directors and officers liability insurance contract with an insurance company provided for by Article 430-3, Paragraph (1) of the Companies Act that covers all candidates if each of the candidates is elected and takes office. A summary of this insurance contract will compensate damages and litigation expenses, etc. arising from claims for damages lodged against insured persons due to their acts concerning the execution of duties (including shareholder derivative actions). (However, breaches of trust, criminal acts and the willful violations of laws and ordinances by insured persons, etc. are excluded from compensation under the contract.) The Company plans to bear all premiums for insured persons.
 8. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Seiko Nakai has been designated as an independent officer as provided for by the aforementioned exchange. If her reelection is approved, the Company plans for her designation as an independent officer to continue.

System for the Company Following the Approval of Proposal No. 3: Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Name	Position and responsibility in the Company	Independent officer	Nominating Committee and Compensation Committee	Fields of expertise					
				Business administration	Sales and marketing	Industry knowledge	Global business	Finance and accounting	Legal affairs and compliance
Tsutomu Wano	Chairman and Representative Director Group CEO		○	○	○	○	○		
Ichiro Kawaguchi	President and Representative Director General Manager of Personnel Placement Business Division			○	○	○			
Yoshiki Nakai	Director and Executive Officer General Manager of Recruiting Business Division			○	○	○			
Isao Yokota	Director and Executive Officer General Manager of Global Business Division				○	○	○		
Kizuki Hayashi	Director and Executive Officer			○	○	○			
Kenta Kijima	Director and Executive Officer General Manager of Administration and Accounting Division				○	○		○	○
Nobuaki Nakajima	Director				○	○			
Seiko Nakai	Director (Outside)	○	○	○	○				
Toshihiro Kono	Outside Director (Full-time Audit and Supervisory Committee Member)	○	○				○		○
Takahide Murao	Outside Director (Audit and Supervisory Committee Member)	○	○		○	○			
Makoto Saito	Outside Director (Audit and Supervisory Committee Member)	○	○					○	○

* The above list shows fields where respective individuals have notable expertise. It does not indicate their entire knowledge or experiences.

Proposal No. 4 Revision of Remuneration to Grant Shares With Transfer Restrictions to Directors (Excluding Outside Directors and Directors Who Are Audit and Supervisory Committee Members)

The amount of remuneration for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) was approved to be ¥300 million or less per year (including ¥30 million or less per year for Outside Directors) at the 41st Annual General Meeting of Shareholders held on June 22, 2021 (stated amounts do not include employee salaries of Directors concurrently serving as employees). Moreover, at the 41st Annual General Meeting of Shareholders held on June 22, 2021, the amount of remuneration relating to the restricted share-based remuneration plan (hereinafter the “Plan”) paid to Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) separately from the aforementioned amount of remuneration was approved to be ¥150 million or less per year (provided, however, that payment may be paid in a lump sum of ¥450 million or less as a three-year cumulative total). The Company proposes to revise the Plan with the objective of granting further incentive to the Company’s Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members; hereinafter the “Target Directors”) for them to strive for the Company’s successive improvement of corporate value and promoting their further sharing of value with shareholders. Specifically, the Company wishes to add to the Plan the condition that requires continuous service for a certain period in order for the transfer restrictions to be lifted, as well as to add a new plan (hereinafter the “Retirement-Type Restricted Share-Based Remuneration Plan”) under which the period of the imposed transfer restrictions shall be from the date of delivery of shares with transfer restrictions until the day the Target Director loses their position as Director of the Company or any other position determined by the Board of Directors of the Company (however, in cases where the Target Director loses the said position before three months have elapsed after the business year in which the shares with transfer restrictions were delivered and the Board of Directors of the Company has separately determined a date before six months have elapsed after that business year, that date shall be used). In addition, the Company requests approval to revise the amount of remuneration for Target Directors under the Plan (hereinafter the “Medium-Term Continuous Service-Type Share-Based Remuneration Plan”) and total number of common shares of the Company that are issued or disposed of under the Medium-Term Continuous Service-Type Share-Based Remuneration Plan. Accordingly, under the Retirement-Type Restricted Share-Based Remuneration Plan, and separately from the amount of monetary remuneration and the Medium-Term Continuous Service-Type Share-Based Remuneration Plan, the total amount of monetary remuneration claims to be paid to Target Directors for the purpose of granting shares with transfer restrictions shall not exceed ¥100 million per year, which we consider to be reasonable based on the above objectives and, separately from the amount of monetary remuneration and the Retirement-Type Restricted Share-Based Remuneration Plan, the amount of remuneration for Target Directors under the Medium-Term Continuous Service-Type Share-Based Remuneration Plan shall not exceed ¥100 million per year. Moreover, the specific timing of provision and amount allocated to each Target Director shall be determined at Board of Directors meetings.

The current number of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) is six. If Proposal No. 3 is approved as originally proposed, the number of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) will become seven.

The Target Directors under this proposal shall provide all monetary remuneration claims arising through this proposal in accordance with the resolution of the Board of Directors of the Company as property contributed in kind to have the common shares of the Company issued or disposed of. For the Retirement-Type Restricted Share-Based Remuneration Plan and the Medium-Term Continuous Service-Type Share-Based Remuneration Plan, the total number of the common shares of the Company to be issued or disposed of for each plan through this process shall be 30,000 shares or less per year (provided, however, that the total number shall be adjusted within a reasonable range when a share split (including allotment of the common shares of the Company without contribution) or share consolidation of the common shares of the Company is conducted or any other events that require an adjustment to the total number of the common shares of the Company to be issued or disposed of as shares with transfer restrictions arise on and after the date that this proposal is approved and adopted). The amount to be paid in per share is determined by the Board of Directors using the closing price of the common shares of the Company on the Tokyo Stock Exchange on the business day immediately prior to the day on which each resolution of the Board of Directors is made (if no trading is reported on such date, the closing price on the immediately preceding trading day) as the basis and within a range that is not particularly advantageous to the Target Directors. For the issuance or disposal of the common shares of the Company in accordance with this process, the Company

and Target Directors shall enter into an agreement on allotment of shares with transfer restrictions (hereinafter, the “Allotment Agreement”) which includes the following items as its content:

- (1) Target Directors shall not transfer the common shares allotted under the Allotment Agreement (hereinafter the “Allotted Shares”), create a security interest on or conduct other dispositions of the shares (hereinafter the “Transfer Restriction”) for the period from the date of allocation of shares with transfer restrictions until the day the Target Director loses their position as Director of the Company or any other position determined by the Board of Directors of the Company (however, in cases where the Target Director loses the said position before three months have elapsed after the business year in which the shares with transfer restrictions were delivered and the Board of Directors of the Company has separately determined a date before six months have elapsed after that business year, that date shall be used) for the Retirement-Type Restricted Share-Based Remuneration Plan and for a period of between three to five years which is determined by the Board of Directors of the Company for the Medium-Term Continuous Service-Type Share-Based Remuneration Plan (hereinafter the “Transfer Restriction Period” for each plan).
- (2) If a Target Director has lost the position described in (1) above before the expiration of a period separately determined by the Board of Directors of the Company (hereinafter the “Service Provision Period”) for the Retirement-Type Restricted Share-Based Remuneration Plan and before the expiration of the Transfer Restriction Period for the Medium-Term Continuous Service-Type Share-Based Remuneration Plan, the Company shall acquire, by rights, the Allotted Shares without contribution except when the Board of Directors of the Company finds justifiable grounds.
- (3) The Company shall lift the Transfer Restriction for all of the Allotted Shares when the Transfer Restriction Period expires provided that the Target Director has remained in the position as Director of the Company or any other position determined by the Board of Directors of the Company during the Service Provision Period for the Retirement-Type Restricted Share-Based Remuneration Plan and during the Transfer Restriction Period for the Medium-Term Continuous Service-Type Share-Based Remuneration Plan. However, if the Target Director has lost the position specified in (1) above before the expiration of the Service Provision Period for the Retirement-Type Restricted Share-Based Remuneration Plan and before the expiration of the Transfer Restriction Period for the Medium-Term Continuous Service-Type Share-Based Remuneration Plan due to reasons deemed justifiable by the Board of Directors of the Company specified in (2) above, the Company shall reasonably adjust the number of Allotted Shares for which the Transfer Restriction will be lifted and the timing for the Transfer Restriction to be lifted, as required.
- (4) The Company shall acquire, by rights, without contribution the Allotted Shares for which the Transfer Restriction is not lifted in accordance with the provisions of (3) above.
- (5) Notwithstanding the provisions of (1) above, during the Transfer Restriction Period, when matters concerning merger agreements in which the Company becomes an extinguished company, share exchange agreements or share transfer plans in which the Company becomes a wholly owned subsidiary, and other organizational restructuring are approved at the General Meeting of Shareholders of the Company (provided, however, that if there is no need to obtain approval at the General Meeting of Shareholders of the Company for the organizational restructuring, etc., a meeting of the Board of Directors of the Company), prior to the effective date of the organizational restructuring, etc., the Company shall lift the Transfer Restriction of the number of Allotted Shares that is reasonably determined.
- (6) In the case specified in (5) above, the Company shall acquire, by rights, without contribution the Allotted Shares for which the Transfer Restriction has not been lifted immediately after the Transfer Restriction has been lifted pursuant to the provisions of (5) above.
- (7) The content of the Allotment Agreement shall relate to the method of indicating and notifying the intention in the Allotment Agreement, the method of amendment of the Allotment Agreement, and other matters specified by the Board of Directors.

The Company revised the policy for determining the details of remuneration, etc. for each individual Director at the Board of Directors meeting held on March 10, 2022. The outline of those details is stated on pages 42 to 43 of the Business Report (in Japanese only). The Company plans to change this policy so that it is aligned with this proposal, subject to the approval of this proposal. As stated above, since the paid-in amount per share for the Restricted Shares is an amount within a range that is not particularly advantageous and the dilution rate is insignificant, the Company judges that granting of the Restricted Shares is adequate.