

The transition to a holding company structure described in this convocation notice involves securities of a foreign company. The offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in this document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, since the issuer is located in a foreign country and some or all of its officers and directors are residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

You should be aware that the issuer may purchase securities otherwise than in connection with the transition to a holding company structure, such as in the open market or through privately negotiated purchases.

This document has been translated from the Japanese-language original document for reference purposes only. In the event of any conflict or discrepancy between this document and the Japanese-language original, the Japanese-language original shall prevail in all respects.

(Securities Code: 7350)  
June 3, 2022

**To Shareholders with Voting Rights:**

Masayasu Yamashiro  
President  
Okinawa Financial Group, Inc.  
10-1, Kumoji 3-chome  
Naha, Okinawa, Japan

**NOTICE OF CONVOCAION OF  
THE 1ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Notice is hereby given that the 1st Annual General Meeting of Shareholders of Okinawa Financial Group, Inc. (the "Company") will be held for the purposes as described below.

In light of the recent spread of the novel coronavirus disease (COVID-19), as part of measures for reducing the risk of infection, the Company suggests that shareholders refrain from attending the Meeting in person regardless of your health condition and exercise your voting rights either in writing or via the Internet, etc.

Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by Thursday, June 23, 2022 at 5:00 p.m. Japan time.

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. Japan time  
(Reception starts at 9:30 a.m.)
- 2. Place:** TENPI NO MA, 3F, LOISIR HOTEL & SPA TOWER NAHA,  
2-1, Nishi 3-chome, Naha, Okinawa, Japan  
\*In the event LOISIR HOTEL & SPA TOWER NAHA becomes unavailable due to the impact of COVID-19, the venue may be changed to the Hall on the 5th floor at the Head Office of the Company. Such change will be posted on the Company's website (<https://www.okinawafg.co.jp/>) when confirmed. The shareholders planning to attend the Meeting in person are kindly asked to check the status on the website.
- 3. Meeting Agenda:**

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

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendments to the Articles of Incorporation
- Proposal No. 3:** Election of Four (4) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal No. 4:** Election of Two (2) Directors Serving as Audit and Supervisory Committee Members
- Proposal No. 5:** Determination of the Amount of Compensation for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal No. 6:** Determination of the Amount of Compensation for Directors Serving as Audit and Supervisory Committee Members
- Proposal No. 7:** Payment of Bonuses to Directors

**Request to Shareholders**

- Request to refrain from attending the Meeting in person to prevent the spread of COVID-19  
To prevent the spread of COVID-19, shareholders are requested to refrain from attending the Annual General Meeting of Shareholders.
- Request to exercise voting rights  
Shareholders are kindly asked to exercise their voting rights either in writing or via the Internet, etc.
- Notes concerning souvenirs provided to attending shareholders  
Souvenirs provided to attending shareholders will no longer be provided in fairness to the shareholders unable to attend in person.
- Others  
For more information, please refer to the attachment "Request to Refrain from Attending the Annual General Meeting of Shareholders in Person to Prevent the Spread of COVID-19" (in Japanese only).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal No. 1: Appropriation of Surplus

The Company's basic policy on appropriation of surplus is to aim to strengthen its management structure while providing stable dividends in light of the public nature of the financial business.

Based on comprehensive consideration of the above basic policy and the business results for the fiscal year under review, the Company proposes a year-end dividend for this fiscal year as follows.

#### Matters concerning year-end dividend

- (1) Type of dividend property  
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount  
35 yen per share of common stock  
Total amount: 820,350,055 yen
- (3) Effective date of distribution of surplus  
June 27, 2022

## **Proposal No. 2: Partial Amendments to the Articles of Incorporation**

### 1. Reasons for amendments

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 general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 17, Paragraph 1 provides that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 17, Paragraph 2 is to establish a provision to limit (omit) the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) Due to amendments of (1) and (2) above, the provisions of Article 17 (Disclosure via the Internet and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) 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	Proposed Amendments
<p data-bbox="188 309 767 394"><u>Article 17 (Disclosure via the Internet and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.)</u></p> <p data-bbox="188 412 783 741"><u>In convening a general meeting of shareholders, the Company may deem that it has provided the shareholders with information related to matters to be stated or indicated in the reference documents for the general meeting of shareholders, business reports, non-consolidated financial statements, and consolidated financial statements (including the accounting audit report and audit report for such consolidated financial statements) by disclosing such information by a method using the Internet pursuant to the provisions of laws and regulations.</u></p> <p data-bbox="368 949 608 983">&lt;Newly established&gt;</p> <p data-bbox="368 1637 608 1671">&lt;Newly established&gt;</p>	<p data-bbox="1050 495 1177 528">&lt;Deleted&gt;</p> <p data-bbox="815 741 1398 775"><u>Article 17 (Measures for Electronic Provision, etc.)</u></p> <ol data-bbox="815 786 1398 1111" style="list-style-type: none"> <li data-bbox="815 786 1398 931">1. <u>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></li> <li data-bbox="815 936 1398 1111">2. <u>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.</u></li> </ol> <p data-bbox="815 1144 1398 1267"><u>Supplementary Provisions (amendments to the Articles of Incorporation on June 24, 2022) Measures regarding system for electronic provision of materials for general meetings of shareholders</u></p> <ol data-bbox="815 1272 1398 2007" style="list-style-type: none"> <li data-bbox="815 1272 1398 1671">1. <u>The deletion of Article 17 (Disclosure via the Internet and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) in the Articles of Incorporation before amendment and the establishment of Article 17 (Measures for Electronic Provision, etc.) in the Articles of Incorporation after amendment shall come into effect on September 1, 2022, 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”).</u></li> <li data-bbox="815 1682 1398 1861">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 17 of the Articles of Incorporation before amendment shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></li> <li data-bbox="815 1865 1398 2007">3. <u>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 general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></li> </ol>

**Proposal No. 3:** Election of Four (4) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all three (3) Directors (excluding Directors serving as Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors (excluding Directors serving as Audit and Supervisory Committee Members), by adding one Outside Director in order to ensure transparency of the Company's management and further enhance its corporate governance.

This proposal was deliberated and reported by the Group Nomination and Compensation Advisory Committee of the Company, and was also examined by the Audit and Supervisory Committee. Then the Company received an opinion stating that there are no matters to be pointed out regarding this proposal.

The candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as follows:

No.	Name	Current positions at the Company
1	<input type="checkbox"/> Reelection Yoshiaki Tamaki	Chairman
2	<input type="checkbox"/> Reelection Masayasu Yamashiro	President
3	<input type="checkbox"/> Reelection Yoshiteru Kinjo	Senior Managing Director
4	<input type="checkbox"/> New candidate Naoko Murakami	-

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Yoshiaki Tamaki (Sep. 19, 1952)</p> <p>[Reelection] [Male]</p> <p>Attendance at Board of Directors meetings: 8 / 8 (100.00%)</p>	<p>Apr. 1977    Joined The Bank of Okinawa, Ltd. Jul. 1998    Branch Manager, Itoman Branch, The Bank of Okinawa, Ltd. Jun. 2005    General Manager, Personnel Division, The Bank of Okinawa, Ltd. Jul. 2006    Executive Officer and General Manager, Personnel Division, The Bank of Okinawa, Ltd. Jun. 2007    Director and General Manager, Personnel Division, The Bank of Okinawa, Ltd. Jul. 2008    Director and General Manager, General Planning Headquarters, The Bank of Okinawa, Ltd. Jun. 2009    Managing Director, The Bank of Okinawa, Ltd. Jun. 2011    President, The Bank of Okinawa, Ltd. Jun. 2018    Chairman, The Bank of Okinawa, Ltd. (to the present) Oct. 2021    Chairman, the Company (to the present)</p> <p>(Significant concurrent positions) Chairman (Representative Director), The Bank of Okinawa, Ltd.</p> <p>(Responsibility) Auditing Division</p>	<p>6,040 shares</p>
<p>Reasons for selection as a candidate for Director</p> <p>Mr. Yoshiaki Tamaki has been involved in the personnel division and general planning division, etc. of The Bank of Okinawa, and has a wealth of operational experience. Additionally, he has demonstrated strong management capability in overall bank management as its President from 2011 and as Chairman from 2018. Since his appointment as Chairman of the Company in 2021, he has appropriately fulfilled his duties and responsibilities.</p> <p>In light of these achievements, the Company has judged that he can implement accurate, fair, and effective business administration and business operation of the Company by leveraging the experience and knowledge, and can contribute to improving corporate value of the Group over the medium- to long-term by fostering sustainable growth of the Group, and has selected him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Masayasu Yamashiro (Sep. 23, 1959)</p> <p>[Reelection] [Male]</p> <p>Attendance at Board of Directors meetings: 8 / 8 (100.00%)</p>	<p>Apr. 1982 Joined The Bank of Okinawa, Ltd.</p> <p>Jul. 2002 Branch Manager, Shogyo-danchi Branch, The Bank of Okinawa, Ltd.</p> <p>Jun. 2010 General Manager, Credit Supervision Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2011 Executive Officer and General Manager, Credit Supervision Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2012 Executive Officer and General Manager, Business Administration Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2013 Director and General Manager, General Planning Headquarters, The Bank of Okinawa, Ltd.</p> <p>Jun. 2014 Managing Director, The Bank of Okinawa, Ltd.</p> <p>Jun. 2018 President, The Bank of Okinawa, Ltd. (to the present)</p> <p>Oct. 2021 President, the Company (to the present)</p> <p>(Significant concurrent positions) President (Representative Director), The Bank of Okinawa, Ltd.</p>	4,680 shares
<p>Reasons for selection as a candidate for Director</p> <p>Mr. Masayasu Yamashiro has been involved in the sales promotion division and general planning division, etc. of The Bank of Okinawa, and has a wealth of operational experience. Additionally, he has demonstrated strong management capability in bank management as President from 2018. Since his appointment as President of the Company in 2021, he has appropriately fulfilled his duties and responsibilities.</p> <p>In light of these achievements, the Company has judged that he can implement accurate, fair, and effective business administration and business operation of the Company by leveraging the experience and knowledge, and can contribute to improving corporate value of the Group over the medium- to long-term by fostering sustainable growth of the Group, and has selected him as a candidate for Director.</p>			



No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Yoshiteru Kinjo (Nov. 15, 1959)</p> <p>[Reelection] [Male]</p> <p>Attendance at Board of Directors meetings: 8 / 8 (100.00%)</p>	<p>Apr. 1983 Joined The Bank of Okinawa, Ltd.</p> <p>Apr. 2003 Branch Manager, Ganeko Branch, The Bank of Okinawa, Ltd.</p> <p>Jul. 2009 General Manager, Head Office Business Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2011 General Manager, Corporate Loan Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2012 Executive Officer and General Manager, Corporate Loan Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2013 Executive Officer and General Manager, Business Administration Division, The Bank of Okinawa, Ltd.</p> <p>Jun. 2014 Director and General Manager, General Planning Headquarters, The Bank of Okinawa, Ltd.</p> <p>Jun. 2015 Managing Director, The Bank of Okinawa, Ltd.</p> <p>Jun. 2019 Senior Managing Director, The Bank of Okinawa, Ltd.</p> <p>Jun. 2020 Senior Managing Director (Representative Director), The Bank of Okinawa, Ltd. (to the present)</p> <p>Oct. 2021 Senior Managing Director, the Company (to the present)</p> <p>(Significant concurrent positions) Senior Managing Director (Representative Director), The Bank of Okinawa, Ltd.</p> <p>(Responsibility) General Planning Division</p>	2,400 shares
<p>Reasons for selection as a candidate for Director</p> <p>Mr. Yoshiteru Kinjo has been involved in the sales promotion division and general planning division, etc. of The Bank of Okinawa, and has a wealth of operational experience. Additionally, he has demonstrated strong management capability in bank management as its Director from 2014. Since his appointment as Senior Managing Director of the Company in 2021, he has appropriately fulfilled his duties and responsibilities.</p> <p>In light of these achievements, the Company has judged that he can implement accurate, fair, and effective business administration and business operation of the Company by leveraging the experience and knowledge, and can contribute to improving corporate value of the Group over the medium- to long-term by fostering sustainable growth of the Group, and has selected him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Naoko Murakami (Mar. 10, 1965)  [New candidate] [Female] [Outside] [Independent]  Attendance at Board of Directors meetings: -	Apr. 1988 Joined the NISHI-NIPPON BANK (currently THE NISHI-NIPPON CITY BANK, LTD.) Mar. 1991 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Oct. 2001 Certified as an attorney at Okinawa Bar Association Apr. 2005 Established Kokoro Law Office (to the present) Apr. 2020 President, Okinawa Bar Association Jun. 2020 Outside Corporate Auditor, The Bank of Okinawa, Ltd. (to the present) (scheduled to resign on June 24, 2022)  (Significant concurrent positions) Attorney	0 shares
<p>Reasons for selection as a candidate for Outside Director and expected roles, etc.</p> <p>Ms. Naoko Murakami has engaged in corporate legal affairs as an attorney. Her past engagement in public services at the prefectural and municipal government offices also attests that she has a wealth of knowledge and experience. She has appropriately fulfilled her duties and responsibilities as Outside Corporate Auditor of The Bank of Okinawa since 2020. Additionally, she has contributed to work style reforms, including the active participation of women promoted by the bank. In light of these achievements, the Company expects her to play a role in providing valuable legal advice and opinions, as Outside Director of the Company, regarding strengthening of the effectiveness of the decision-making function and supervision function of the Board of Directors of the Company from an independent position from the management team conducting business execution, by leveraging her insight in corporate legal affairs. Therefore, she has been selected as a candidate for Outside Director.</p> <p>Ms. Murakami's term of office as Outside Corporate Auditor of The Bank of Okinawa will be two years at the conclusion of this Annual General Meeting of Shareholders.</p>			

- (Notes)
- There are no special conflicts of interest between the Company and each candidate for Director.
  - Ms. Naoko Murakami is a candidate for Outside Director.
  - Ms. Naoko Murakami is currently serving as Outside Corporate Auditor of The Bank of Okinawa; however, she intends to resign from office.
  - Liability limitation agreements with Outside Directors  
To allow for Outside Directors to adequately fulfill their expected roles, the Company allows for the conclusion of agreements with Outside Directors to limit liability for damages caused by negligence of duties, in accordance with Article 427, Paragraph 1 of the Companies Act and Article 25 of the Articles of Incorporation. Due to the above, the Company intends to conclude the aforementioned liability limitation agreement with Ms. Naoko Murakami if her election is approved.  
A summary of the agreement is as follows.
    - If an Outside Director is liable for damages arising in the Company due to negligence of duties, the Outside Director shall be liable up to the minimum liability amount provided in Article 425, Paragraph 1 of the Companies Act.
    - The above limitation of liability only applies to the case where the execution of duties of an Outside Director was conducted in good faith and without gross negligence.
  - The Company has entered into a directors and officers liability insurance contract to insure its Directors (including Outside Directors) and Directors serving as Audit and Supervisory Committee Members (including Outside Directors serving as Audit and Supervisory Committee Members). The contract covers damages in the event that insured directors and officers assume liability for damages due to their execution of duties (However, it does not cover certain damages that correspond to certain exemption clauses stipulated on the insurance contract). The insurance premium is borne in full by the Company. All the elected Directors will be covered by the insurance. The term of the insurance contract is one year. At the time of renewal of the insurance, the Company plans to renew the insurance contract with the above details.
  - Ms. Naoko Murakami is a candidate for Outside Director, and the Company intends to notify her as Independent Director to the Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange. Furthermore, there are no matters other than the above to be specifically stated regarding proposals for the election of Directors as defined in Article 74 of the Regulations for Enforcement of the Companies Act.
  - The name of Ms. Naoko Murakami is used in her professional circumstances, and her registered name is Ms. Naoko Kinjo.

**Proposal No. 4:** Election of Two (2) Directors Serving as Audit and Supervisory Committee Members

Mr. Masahiro Hosomi and Mr. Hirokazu Ando, Directors serving as Audit and Supervisory Committee Members, will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Directors serving as Audit and Supervisory Committee Members to fill the vacancies. The terms of office of Directors serving as Audit and Supervisory Committee Members to be elected at this Meeting shall expire at the date when the terms of office of their resigned predecessors expire pursuant to the provision of the Articles of Incorporation of the Company. Please note that this proposal was deliberated and reported by the Group Nomination and Compensation Advisory Committee of the Company, and the Audit and Supervisory Committee has previously given its approval to this proposal.

The candidates for Directors serving as Audit and Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Mitsuru Higa (Jul. 23, 1958)  [New candidate] [Male] [Outside] [Independent]  Attendance at Board of Directors meetings: -	<p>Apr. 1982 Joined the Okinawa General Bureau, the Okinawa Development Agency</p> <p>Apr. 1984 Temporarily assigned to the Industrial Policy Bureau, the Ministry of International Trade and Industry</p> <p>Apr. 1988 Temporarily assigned to the Okinawa General Bureau, the Okinawa Development Agency</p> <p>Apr. 2009 Director of the Small and Medium Enterprise Division, the Economy and Trade Department, the Okinawa General Bureau, the Cabinet Office</p> <p>Apr. 2011 Director of the Commence and International Trade and Industry Division, the Economy and Trade Department, the Okinawa General Bureau, the Cabinet Office</p> <p>Apr. 2013 Director of the Energy Measures Division, the Economy and Trade Department, the Okinawa General Bureau, the Cabinet Office</p> <p>Apr. 2016 Director of the Planning and Development Division, the Economy and Trade Department, the Okinawa General Bureau, the Cabinet Office</p> <p>Apr. 2017 Director of the Environmental Resources Division, the Economy and Trade Department, the Okinawa General Bureau, the Cabinet Office</p> <p>May 2020 Person responsible for business of the Intellectual Property Support Counter, Okinawa Prefecture, INPIT (to the present)</p> <p>(Significant concurrent positions) Person responsible for business of the Intellectual Property Support Counter, Okinawa Prefecture, INPIT</p>	0 shares
<p>Reasons for selection as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Mitsuru Higa has extensive experience and advanced knowledge in regional economy and public administration gained through his tenure of office for the Okinawa General Bureau of the Cabinet Office. Currently, he is responsible for business of the Intellectual Property Support Counter, Okinawa Prefecture, INPIT, and has advanced knowledge and extensive experience in management of intellectual property. Although Mr. Higa has not been directly involved in corporate management aside from the roles as Outside Director and Outside Corporate Auditor, the Company expects him to play a role in providing valuable advice and opinions based on the specialized knowledge of regional economy and intellectual property by leveraging his experience mentioned above, as Outside Director serving as an Audit and Supervisory Committee Member. The Company judged that he can contribute to strengthening the effectiveness of the decision-making function and supervision function of the Board of Directors of the Company from an independent position from the management team conducting business execution. Therefore, he has been selected as a new candidate for Outside Director serving as an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Kenji Sugimoto (Dec. 14, 1960)  [New candidate] [Male] [Outside] [Independent]  Attendance at Board of Directors meetings: -	<p>Apr. 1983 Joined the Japan Travel Bureau Corporation (currently JTB Corp.)</p> <p>Feb. 1996 Purchase Manager, Western Japan Foreign Travel Group Sale Department, the Japan Travel Bureau Corporation</p> <p>Feb. 1998 Sales Planning Manager, Corporate Planning and Administration Division, JTB World Vacations Western Japan, Inc.</p> <p>Feb. 2001 Sales Manager, Western Japan Sales Division, JTB World Vacations Western Japan, Inc.</p> <p>Apr. 2004 Planning Development Team Manager, Product Planning Department, JTB World Vacations Co., Ltd.</p> <p>Feb. 2010 Executive Officer and Osaka Chuo Branch Manager, JTB World Vacations Co., Ltd.</p> <p>Apr. 2014 Director and Kyoto Branch Manager, JTB World Vacations Co., Ltd.</p> <p>Apr. 2016 President and Representative Director, JTB Okinawa Corp. (to the present)</p> <p>Apr. 2019 Representative Director and President, Executive Officer, JTB Okinawa Corp. (to the present)</p> <p>(Significant concurrent positions) Representative Director and President, Executive Officer, JTB Okinawa Corp.</p>	0 shares
<p>Reasons for selection as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Kenji Sugimoto has extensive experience and advanced knowledge in the tourism industry gained through his career in a wide range of public services in addition to managing the JTB Group companies. The Company expects him to play a role in providing valuable advice and opinions on the Company's management strategies as Outside Director serving as an Audit and Supervisory Committee Member by leveraging his broad-based insight. The Company judged that he can contribute to strengthening the effectiveness of the decision-making function and supervision function of the Board of Directors of the Company from an independent position from the management team conducting business execution. Therefore, he has been selected as a new candidate for Outside Director serving as an Audit and Supervisory Committee Member.</p>			

- (Notes)
- There are no special conflicts of interest between the Company and each candidate for Director.
  - Mr. Mitsuru Higa and Mr. Kenji Sugimoto are candidates for Outside Director.
  - Liability limitation agreements with Outside Directors  
To allow for Outside Directors to adequately fulfill their expected roles, the Company allows for the conclusion of agreements with Outside Directors to limit liability for damages caused by negligence of duties, in accordance with Article 427, Paragraph 1 of the Companies Act and Article 25 of the Articles of Incorporation. Due to the above, the Company intends to conclude the aforementioned liability limitation agreements with Mr. Mitsuru Higa and Mr. Kenji Sugimoto if their election is approved.  
A summary of the agreement is as follows.
    - If an Outside Director is liable for damages arising in the Company due to negligence of duties, the Outside Director shall be liable up to the minimum liability amount provided in Article 425, Paragraph 1 of the Companies Act.
    - The above limitation of liability only applies to the case where the execution of duties of an Outside Director was conducted in good faith and without gross negligence.
  - The Company has entered into a directors and officers liability insurance contract to insure its Directors (including Outside Directors) and Directors serving as Audit and Supervisory Committee Members (including Outside Directors serving as Audit and Supervisory Committee Members). The contract covers damages in the event that insured directors and officers assume liability for damages due to their execution of duties (However, it does not cover certain damages that correspond to certain exemption clauses stipulated on the insurance contract). The insurance premium is borne in full by the Company. All the elected Directors will be covered by the insurance. The term of the insurance contract is one year. At the time of renewal of the insurance, the Company plans to renew the insurance contract with the above details.
  - Mr. Mitsuru Higa and Mr. Kenji Sugimoto are candidates for Outside Director, and the Company intends to notify them as Independent Directors to the Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange. Furthermore, there are no matters other than the above to be specifically stated regarding proposals for the election of Directors as defined in Article 74 of the Regulations for Enforcement of the Companies Act.

### Independence Standards for Independent Outside Officers

In the selection of candidates for Outside Officers, a candidate must satisfy all of the conditions set out in 1 to 7 below.

1. The party does not hold the Company Group as a major business partner nor is an executive thereof, currently or in the past three years.
2. The party is not a major business partner of the Company Group nor is an executive thereof, currently or in the past three years.

The criteria for a major business partner in 1. and 2. above shall be as follows.

- The transaction of cash in line with the provision of duties, etc., continues (includes the case where continuity is estimated) to account for 2% or more of annual consolidated net sales (if determining whether or not the party is a major business partner of the Company Group, annual consolidated operating gross profit of the Company Group) in the most recent fiscal year.
  - In the case of loan transactions, the Company Group is the most significant provider of credit, and changes in the loan policies of the Company Group will have a significant impact on the business partner.
3. The party is not a consultant, accounting specialist, or legal specialist (if the party is an organization such as a legal entity or association, parties affiliated with said organization) that has received cash or other property income of 10 million yen or more on average over the past three years either currently or in the recent past, nor was it affiliated with said organization within the past three years.
  4. The party is not a major shareholder that holds 10% or more of the voting rights of the Company Group nor is an executive thereof, currently or in the past three years.
  5. Of a party with which there are mutual appointments of Outside Officers with the Company Group, the person is not an Outside Officer affiliated with a party that is deemed to have a close relationship with the Company Group, currently or in the past three years. A close relationship refers to cases where officers of both parties continue to serve mutually and where there are no several Outside Officers other than those from the Company Group.
  6. The party is not a receiver of donations, etc., from the Company Group of 10 million yen or more on average over the past three years nor is an executive thereof, currently or in the past three years.
  7. The party is not a party that does not satisfy the items set out in 1. to 6. above or a close relative (relative to within the second degree of kinship) of a Director, Executive Officer, Audit and Supervisory Committee Member, Corporate Auditor, or significant employee of the Company Group.
    - \* An executive refers to persons in the positions equivalent to Director, Corporate Auditor or General Manager.
    - \* Accounting specialists and legal specialists refer to certified public accountants and attorneys.

Reference

In order to ensure objectivity and validity of Directors, the Company has elected Outside Directors such that they account for half of all Directors, and will endeavor to strengthen its corporate governance.

Skill matrix of the Board of Directors after the Annual General Meeting of Shareholders (planned)

(Note) If the candidates listed in the notice of convocation are elected as originally proposed, the skill matrix of the Board of Directors will be as follows:

No.	Name	Position	Independent Outside	To be elected as Group Nomination and Compensation Advisory Committee Member	Corporate management	Management strategy	Finance and accounting	Compliance and risk management	IT and digital	Specialist fields
1	Yoshiaki Tamaki	Chairman		•		•	•	•		
2	Masayasu Yamashiro	President		•		•	•		•	
3	Yoshiteru Kinjo	Senior Managing Director				•	•	•	•	
4	Naoko Murakami	Director	•	•			•			• Legal affairs
5	Mamoru Ikei	Director and Audit and Supervisory Committee Member				•	•	•		
6	Keiko Touyama	Director and Audit and Supervisory Committee Member	•	•			•			• Tax and legal affairs
7	Mitsuru Higa	Director and Audit and Supervisory Committee Member	•	•						• Public administration and intellectual property
8	Kenji Sugimoto	Director and Audit and Supervisory Committee Member	•		•	•	•			• Tourism-related

- (Notes)
1. “Corporate management” refers to a person who has experience in corporate management at other entities
  2. “Management strategy” refers to a person who has experience in medium-term management planning
  3. “Finance and accounting” refers to a person who has experience in tasks related to financial statements inside or outside the Company
  4. “Compliance and risk management” refers to a person who has experience in the audit department and risk management
  5. “IT and digital” refers to a person who has experience in the IT and digital division

**Proposal No. 5: Determination of the Amount of Compensation for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)**

- Compensation, etc. for Directors (excluding Directors serving as Audit and Supervisory Committee Members) of the Company is stipulated in Article 2, Paragraph 1 of the Supplementary Provision of the Articles of Incorporation. However, the Supplementary Provision will expire upon the conclusion of this Annual General Meeting of Shareholders, and a new resolution will be required.
- The Company proposes the amount of compensation for Directors (excluding Directors serving as Audit and Supervisory Committee Members) to be paid in cash is set at one hundred million (100,000,000) yen or less per year, including twenty million (20,000,000) yen or less for Outside Directors per year, taking into consideration various circumstances, including the status of the Company's management structure and the economic climate.
- This proposal was determined through reports by the Group Nomination and Compensation Advisory Committee of the Company, and was also examined by the Audit and Supervisory Committee. Then the Company received an opinion stating that there are no matters to be pointed out regarding this proposal.
- The amount of compensation for Directors shall not include the employee-portion of salary that is provided to Directors who concurrently serve as employee.
- The Company determined the amount of compensation for directors and officers or the policy for determining the calculation method and method for determining the amount at a Board of Directors meeting held on October 1, 2021, and this proposal complies with the said policy. The Company does not intend to change the policy even if this proposal is approved, and the Company believes that the contents of this proposal are appropriate.
- Currently, the Company has three (3) Directors (excluding Directors serving as Audit and Supervisory Committee Members), with no Outside Directors included. If the Proposal No. 3 "Election of Four (4) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)" is approved as originally proposed, the number of Directors (excluding Directors serving as Audit and Supervisory Committee Members) shall be increased to four (4) (including one Outside Director).

**Proposal No. 6:** Determination of the Amount of Compensation for Directors Serving as Audit and Supervisory Committee Members

- Compensation, etc. for Directors serving as Audit and Supervisory Committee Members of the Company is stipulated in Article 2, Paragraph 2 of the Supplementary Provision of the Articles of Incorporation. However, the Supplementary Provision will expire upon the conclusion of this Annual General Meeting of Shareholders, and a new resolution will be required.
- An expansion of roles and an increase in responsibilities of Directors serving as Audit and Supervisory Committee Members are anticipated in response to rapid changes in business environment. Therefore, in consideration of various matters including preparation for the future appointment, the Company proposes that the amount of compensation for Directors serving as Audit and Supervisory Committee Members is set at forty million (40,000,000) yen or less per year.
- This proposal was determined through reports by the Group Nomination and Compensation Advisory Committee of the Company.
- The Company determined the amount of compensation for directors and officers or the policy for determining the calculation method and method for determining the amount at a Board of Directors meeting held on October 1, 2021, and this proposal complies with the said policy. The Company does not intend to change the policy even if this proposal is approved, and the Company believes that the contents of this proposal are appropriate.
- Currently, the Company has four (4) Directors serving as Audit and Supervisory Committee Members (including three (3) Outside Directors). If the Proposal No. 4 “Election of Two (2) Directors Serving as Audit and Supervisory Committee Members” is approved as originally proposed, the number of Directors serving as Audit and Supervisory Committee Members shall be four (4) (including three (3) Outside Directors).

**Proposal No. 7:** Payment of Bonuses to Directors

In consideration of business results, etc., for the fiscal year under review, the Company proposes the payment of a total amount of 4,813,000 yen in executive bonuses for three (3) Directors (excluding Directors serving as Audit and Supervisory Committee Members) in office as of the end of the fiscal year under review.

This proposal was determined by the Board of Directors following deliberation by the Group Nomination and Compensation Advisory Committee, comprehensively considering the Company’s performance and the performance, etc. of each Director, and is regarded as appropriate.

The proposal was also examined by the Audit and Supervisory Committee and the Company received an opinion stating that there are no matters to be pointed out regarding this proposal.

Furthermore, the Company proposes that the amount to be paid to each Director be determined by the Board of Directors.