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Securities code: 3393
June 8, 2022

To Shareholders with Voting Rights:

Hideyuki Hongo
Representative Director and
President
Startia Holdings, Inc.
2-3-1 Nishi-shinjuku, Shinjuku-ku,
Tokyo, Japan

**NOTICE OF CONVOCATION OF
THE 27th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 27th Annual General Meeting of Shareholders of Startia Holdings, Inc. (the “Company”) will be held as described below.

Regarding this General Meeting of Shareholders, we would like to ask you to exercise your voting rights in writing or via the Internet, etc. in advance and refrain from attending the meeting on the day, in order to prevent the spread of COVID-19.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than Wednesday, June 22, 2022, 6:00 p.m., in accordance with the guide described below.

- 1. Date and Time:** Thursday, June 23, 2022 at 10:00 a.m. Japan time
(The reception desk will open at 9:30 a.m.)
- 2. Place:** Main Conference Room, “FUYO”
1st floor, HOTEL SUNROUTE PLAZA SHINJUKU
2-3-1 Yoyogi, Shibuya-ku, Tokyo, Japan
(Please be noticed that the venue is different from the previous time.
Therefore, please refer to the venue map at the end of these documents to
make sure you are at the right place.)
- 3. Meeting Agenda:**
Matters to be reported:
 1. The Business Report and Consolidated Financial Statements for the Company’s 27th Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 27th Fiscal Year (April 1, 2021 - March 31, 2022)**Proposals to be resolved:**
 - Proposal 1:** Partial Amendments to the Articles of Incorporation
 - Proposal 2:** Election of Six (6) Directors
 - Proposal 3:** Election of One (1) Substitute Audit & Supervisory Board Member

4. Other matters regarding this Notice:

Among the documents to be provided for this Notice, “System and Policy of the Company,” “Outline of the System,” and “Outline of the Operating Status of the System to Ensure the Appropriateness of Business Activities” in the Business Report, and “Consolidated Statement of Changes in Equity,” “Notes to Consolidated Financial Statements,” “Non-consolidated Statement of Changes in Equity,” and “Notes to Non-consolidated Financial Statements” are posted on the Company’s website (<https://www.startiaholdings.com>) (in Japanese only) on the Internet, in accordance with provisions of laws and regulations as well as Article 14 of the Company’s Articles of Incorporation, and therefore are not provided in the documents attached to this Notice. Accordingly, the documents attached to this Notice are a part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor in preparation of the Accounting Auditor’s Report, and a part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Member in preparation of the Auditor’s Report.

End

When attending the meeting on the day, please submit the enclosed Voting Rights Exercise Form to the receptionist.

If any amendments are made to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, or Consolidated Financial Statements, such amendments will be posted on the Company’s website (<https://www.startiaholdings.com>) (in Japanese only) on the Internet.

- ⊙ In order to prevent the spread of COVID-19, the Company’s staff will check their temperature and health condition, and wear masks on the day of the General Meeting of Shareholders. Alcohol sanitizers will be available near the reception desk for shareholders, but we would also like to ask the shareholders attending the meeting to take other precautions, including wearing masks, to prevent the infection.
- ⊙ We will measure your temperature near the entrance of the venue, and those having a fever or appearing to be unwell may be asked to refrain from entering the venue. In addition, shareholders who have returned to Japan from overseas within 14 days are requested to notify us at the reception desk.
- ⊙ At the meeting, we will take measures to prevent the spread of COVID-19, such as arranging the seating of shareholders in an irregular manner and omitting detailed explanations of matters to be reported and proposals as needed, in order to secure sufficient social distance and shorten the time of contact. Accordingly, we kindly ask for shareholders to read this Notice in advance.
- ⊙ No souvenirs will be provided for shareholders who attend the meeting.
- ⊙ Any material changes in the operation of the General Meeting of Shareholders that may arise due to the situation hereafter will be posted on the Company’s website (<https://www.startiaholdings.com>) (in Japanese only) on the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

- (1) The Company proposes to amend Article 2 (Purpose) of the current Articles of Incorporation in order to add businesses to be newly started and for future development in the Group’s business activities.
- (2) The system for electronic provision of materials for general meetings of shareholders 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, the Company shall establish a provision to take electronic provision measures for information contained in the reference documents for the general meeting of shareholders, etc. and a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it. In addition, the provisions related to the Internet disclosure and deemed provision of the reference documents for the general meeting of shareholders, etc. (Article 14 of the current Articles of Incorporation) shall become unnecessary and will therefore be deleted.
- (3) In line with the above establishment and deletion, supplementary provisions related to the effective date, etc. for these amendments shall be established.
- (4) In line with the above amendments, the required adjustment of numbering, etc. and other necessary amendments shall be made.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation		Proposed Amendments	
(Purpose) Article 2	(Omitted)	(Purpose) Article 2	(Unchanged)
1. – 34.	(Omitted) (Newly established)	1. – 34.	(Unchanged)
<u>35. – 43.</u>	(Omitted) (Newly established)	<u>35. Planning, development, provision, and sale of products and services using the blockchain technology.</u>	
		<u>36. – 44.</u>	(Unchanged)
		<u>45. Operation and management of shared office space</u>	
<u>44. – 46.</u>	(Omitted)	<u>46. – 48.</u>	(Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p>(Share Handling Regulations)</p> <p>Article 10 Entry or record in the shareholder register and the original register of share acquisition rights, handling and fees pertaining to other shares <u>or</u> share acquisition rights, and procedures for exercising rights of shareholders, etc. shall be stipulated by laws and regulations or the Articles of Incorporation, as well as in accordance with the share handling regulations adopted by the Board of Directors.</p> <p><u>(Internet Disclosure and Deemed Provision of the Reference Documents for the General Meeting of Shareholders, etc.)</u></p> <p>Article 14 <u>The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions stipulated in the Ordinance of the Ministry of Internal Affairs and Communications.</u></p> <p>(Newly established)</p>	<p>(Share Handling Regulations)</p> <p>Article 10 Entry or record in the shareholder register and the original register of share acquisition rights, handling and fees pertaining to other shares <u>or</u> share acquisition rights, and procedures for exercising rights of shareholders, etc. shall be stipulated by laws and regulations or the Articles of Incorporation, as well as in accordance with the share handling regulations adopted by the Board of Directors.</p> <p>(Deleted)</p> <p>(Measures for Electronic Provision, etc.)</p> <p>Article 14 <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></p> <p><u>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.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Exemption of Directors' Liabilities) Article 26 (Omitted)</p> <p>2 The Company may enter into an agreement with the Directors who are not Executive Directors, etc. to limit liability for damages due to the negligence of their duties, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. However, the maximum amount of the liability under the said agreement shall be the amount specified in advance at 100,000 yen or above, <u>or</u> the amount stipulated by laws and regulations, whichever is higher.</p> <p>(Regulations of the Audit & Supervisory Board) Article 33 Matters concerning the Audit & Supervisory Board shall be stipulated by laws and regulations <u>or</u> the Articles of Incorporation, as well as in accordance with the rules of the Audit & Supervisory Board adopted by the Audit & Supervisory Board.</p> <p>(Newly established)</p>	<p>(Exemption of Directors' Liabilities) Article 26 (Unchanged)</p> <p>2 The Company may enter into an agreement with the Directors who are not Executive Directors, etc. to limit liability for damages due to the negligence of their duties, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. However, the maximum amount of the liability under the said agreement shall be the amount specified in advance at 100,000 yen or above, <u>or</u> the amount stipulated by laws and regulations, whichever is higher.</p> <p>(Regulations of the Audit & Supervisory Board) Article 33 Matters concerning the Audit & Supervisory Board shall be stipulated by laws and regulations <u>or</u> the Articles of Incorporation, as well as in accordance with the rules of the Audit & Supervisory Board adopted by the Audit & Supervisory Board.</p> <p>(Supplementary provisions)</p> <p><u>1 The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) of the current Articles of Incorporation and the establishment of Article 14 (Measures for Electronic Provision, etc.) of the proposed Articles of Incorporation shall come into effect on September 1, 2022.</u></p> <p><u>2 Notwithstanding the provisions of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date no later than February 28, 2023.</u></p> <p><u>3 These supplementary provisions shall be deleted on March 1, 2023 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></p>

Proposal 2: Election of Six (6) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of six (6) Directors.

The candidates for Director are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hideyuki Hongo (May 1, 1966)	<p>Oct. 1986 Joined Kita Nihon Maruhachi Mawata Co., Ltd. Aug. 1992 Joined Shigai Denwa Service Co., Ltd. Sep. 1993 Joined General Tsushin Kogyo Co., Ltd. Jul. 1994 Joined Japan Digital Communications Co., Ltd. Feb. 1996 Founded Telecomnet Co., Ltd. (currently the Company) Representative Director and President Oct. 1996 Telecomnet Co., Ltd. was reorganized as ND Telecom Co., Ltd. (currently the Company) Representative Director and President (current position) Apr. 2006 Director, Startia Renergy, Inc. Apr. 2007 CEO Apr. 2009 Director, Startia Lab, Inc. Mar. 2013 Director, Startia Shanghai, Inc. Jun. 2013 Chairman, Horma Service Co., Ltd. Director, Gendai Agency Inc. Feb. 2017 Director, IMJ Investment Partners Pte. Ltd. (currently Spiral Ventures Pte. Ltd.) Feb. 2017 Director, Y&P Holdings Pte. Ltd. Mar. 2018 Representative Director, Hoshinowa, a general incorporated foundation (currently a public interest incorporated foundation) (current position) Sep. 2018 Representative Director, Kumamoto Creation Entrepreneur Network, a general incorporated association Group CEO (current position) May 2019 President/Director, Startia Asia Pte. Ltd. Jun. 2021 Director, Startiawill, Inc. (current position) Jul. 2021 Director, SIKI, Inc. (current position) Dec. 2021 Director, Kumamoto Creation Entrepreneur Network, a general incorporated association (current position) Apr. 2022 Director, Startia Asia Pte. Ltd. (current position)</p> <p>[Significant concurrent positions] Representative Director, Hoshinowa, a public interest incorporated foundation Director, Kumamoto Creation Entrepreneur Network, a general incorporated association Director, Startia Asia Pte. Ltd. Director, Startiawill, Inc.</p>	2,949,600
<p>[Reasons for nomination as a candidate for Director] Since the founding of the Company in 1996, Mr. Hideyuki Hongo has been engaged in its management as the Representative Director. In light of his expertise in the overall management and administrative and operational work of group companies, we have nominated him again as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Kenichi Kitamura (September 23, 1977)	<p>Jun. 2001 Joined ND Telecom Co., Ltd. (currently Startia Holdings, Inc.)</p> <p>Apr. 2008 Executive Officer; General Manager, Internet Media Content Business Division</p> <p>Apr. 2009 Representative Director and President, Startia Lab, Inc.</p> <p>Apr. 2010 General Manager, Web Solution Business Division</p> <p>Apr. 2012 Managing Executive Officer</p> <p>Jan. 2019 Director, AsiaQuest Co., Ltd.</p> <p>May 2019 Group Managing Executive Officer (responsible for digital marketing business) (current position)</p> <p>Jun. 2020 Director, Startia Holdings, Inc. (current position); CEO, Startia Lab, Inc.</p> <p>Jul. 2021 Representative Director and CEO, Cloud CIRCUS, Inc. (current position)</p> <p>[Significant concurrent position] Representative Director and CEO, Cloud CIRCUS, Inc.</p>	38,500
<p>[Reasons for nomination as a candidate for Director] After joining the Company, Mr. Kenichi Kitamura worked to start up the Internet media content business (currently, digital marketing related business), which spun off as Startia Lab, Inc., in April 2009. He assumed office as the Representative Director of Startia Lab, Inc., and has been engaged in its management. In light of his wealth of business experience at the Company, as well as his expertise in the overall management and administrative and operational work, we have nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Takao Uematsu (February 17, 1976)	<p>Apr. 1996 Joined Tochigi Hino Motors, Ltd.</p> <p>Sep. 2004 Joined the Company</p> <p>Apr. 2009 Audit & Supervisory Board Member, Startia Lab, Inc.</p> <p>Apr. 2012 General Manager, Administration Department</p> <p>Apr. 2015 Executive Officer</p> <p>Sep. 2015 Audit & Supervisory Board Member, Crosscheck Co., Ltd.</p> <p>Apr. 2017 General Manager, Administration Division</p> <p>Nov. 2017 Audit & Supervisory Board Member, Startia, Inc. (current position); Audit & Supervisory Board Member, StartiaRaise, Inc. (current position)</p> <p>Jun. 2018 Director (current position)</p> <p>Mar. 2019 Audit & Supervisory Board Member, Startia Lab, Inc. (currently Cloud CIRCUS, Inc.) (current position)</p> <p>May 2019 Group Operating Officer (responsible for finance) (current position)</p> <p>Nov. 2021 Audit & Supervisory Board Member, Startia Lead, Inc. (current position)</p> <p>[Significant concurrent positions] Audit & Supervisory Board Member, Startia, Inc. Audit & Supervisory Board Member, Cloud CIRCUS, Inc. Audit & Supervisory Board Member, StartiaRaise, Inc. Audit & Supervisory Board Member, Startia Lead, Inc.</p>	4,700
<p>[Reasons for nomination as a candidate for Director] Since joining the Company, Mr. Takao Uematsu has been engaged mainly in finance and accounting. After having worked as Finance and Accounting Officer, he has currently served as the Director and Group Operating Officer (responsible for finance). In light of his wealth of business experience at the Company, as well as his expertise in the overall management and administrative and operational work, we have nominated him again as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Yoshiyuki Suzuki (May 25, 1952)	<p>Apr. 1975 Nov. 1988</p> <p>Joined INTEC Inc. Section Chief, Corporate Planning Department, INTEC Inc. New York Representative Office, INTEC America Inc.</p> <p>Apr. 1995</p> <p>Department Manager, Communication Sales Department, INTEC Inc.</p> <p>Apr. 2003</p> <p>Director; in charge of General Affairs and Sales Department; Department Manager, Corporate Planning Department, INTEC Inc.</p> <p>Jan. 2005</p> <p>Executive Officer; in charge of Corporate Planning, INTEC Inc.,</p> <p>Apr. 2005</p> <p>Executive Officer; Deputy Sector Director, Technology and Sales Sector, INTEC Inc.</p> <p>Jun. 2007</p> <p>Managing Executive Officer; Division Manager, Ubiquitous Solution Division; General Manager, Network & Outsourcing Division, INTEC Inc.</p> <p>Apr. 2008</p> <p>Managing Executive Officer; Division Manager, Technology SBU; in charge of Information Securities and Personal Information Protection, INTEC Inc.</p> <p>Jun. 2008</p> <p>Director, CREO Co., Ltd.</p> <p>Jun. 2009</p> <p>Managing Director; Division Manager, Technology SBU, INTEC Inc.</p> <p>Apr. 2010</p> <p>In charge of Consulting Division, IT Platform Service Division, and Cloud Business Promotion Office; Division Manager, Technology SBU, INTEC Inc. President and Representative Director, INTEC Systems Institute, Inc.</p> <p>Apr. 2011</p> <p>Senior Managing Director; in charge of Management Administration Department, Information System Department, Business Promotion Division, and Tokyo Operations Department, INTEC Inc.</p> <p>Oct. 2012</p> <p>Senior Managing Director; in charge of Hokuriku Operations Department, INTEC Inc.</p> <p>Jun. 2013</p> <p>Outside Director, the Company (current position) Senior Managing Director; in charge of Accounting Department, Management Administration Department, Information System Department, and Finance Department, INTEC Inc.</p> <p>Apr. 2014</p> <p>Senior Managing Director; in charge of Accounting Department, Planning Promotion Division, Finance Department, Information System Department, and Tokyo Operations Department, INTEC Inc.</p> <p>Jun. 2014</p> <p>Director and Executive Vice President; in charge of Accounting Department, Planning Promotion Division, Finance Department, Information System Department, and Tokyo Operations Department, INTEC Inc.</p> <p>Apr. 2015</p> <p>In charge of Risk & Compliance, Accounting Department, Finance Department, Information System Department, and Tokyo Operations Department, INTEC Inc.</p> <p>May 2015</p> <p>Executive Vice President and Representative Director, INTEC Inc.</p>	—

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
		Apr. 2016 Executive Vice President and Representative Director; Division Manager, Production SBU, INTEC Inc. Jun. 2016 Director, TIS Inc. Apr. 2018 Executive Advisor, INTEC Inc. Apr. 2019 Councilor, INTEC Inc.	
<p>[Reasons for nomination as a candidate for Outside Director and expected roles] Mr. Yoshiyuki Suzuki has been engaged in a wide range of work in the overall management of a company developing overseas business, with a wealth of experience and track record. Since assuming office in 2013, he has been providing advice on the Company's management. In expectation of his continued contribution, we have nominated him again as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Manabu Mori (December 7, 1964)	<p>Apr. 1985 Joined Daimei Denwa Kogyo Corporation (currently MIRAIT Corporation)</p> <p>Jan. 1989 Joined JICC, Inc. (currently Takarajimasha, Inc.)</p> <p>Jun. 2000 Joined Infoseek Co., Ltd. (currently Rakuten Group, Inc.)</p> <p>Jan. 2002 President & Representative Director, Infoseek Co., Ltd. (currently Rakuten Group, Inc.)</p> <p>Dec. 2002 President & Representative Director, Lycos Japan Co., Ltd. (currently Rakuten Group, Inc.)</p> <p>Apr. 2003 Director and Executive Officer, Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p>Nov. 2005 President & CEO, Rakuten Research, Inc. (currently Rakuten Insight, Inc.)</p> <p>Apr. 2016 Chairman, Rakuten Research, Inc.</p> <p>Jun. 2017 President, SakeWiz Co., Ltd. (currently Firenze Sake Co., Ltd.)</p> <p>Jun. 2019 Outside Director, the Company (current position)</p> <p>Dec. 2019 Outside Director, AB&Company Co., Ltd. (current position)</p> <p>Nov. 2021 Outside Director, HR Cloud Co., Ltd. (current position)</p> <p>[Significant concurrent position] Outside Director, AB&Company Co., Ltd. Outside Director, HR Cloud Co., Ltd.</p>	—
<p>[Reasons for nomination as a candidate for Outside Director and expected roles] Mr. Manabu Mori has been engaged in a wide range of work in the overall management of companies developing IT business, with a wealth of experience and track record. He has been providing advice on the Company's management. In expectation of his continued contribution, we have nominated him again as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Yuko Furuichi (November 3, 1988)	Apr. 2011 Joined CyberAgent, Inc. (seconded to CyberZ, Inc.) Nov. 2013 Joined dmg::events Japan K.K. (currently Comexposium Japan K.K.) Apr. 2019 President and CEO, Comexposium Japan K.K. (current position) Jun. 2021 Outside Director, the Company (current position) [Significant concurrent positions] President and CEO, Comexposium Japan K.K. Advisor, Advance Women at Work™ in the United States	—
<p>[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p>Ms. Yuko Furuichi has been engaged in a wide range of work in the overall management of a company developing the planning and operation of conferences in the fields of marketing, advertising, commerce, and digitalization, with a wealth of experience and track record in the marketing industry. We believe that she is able to provide advice on the Company's management. In expectation of her contribution, we have nominated her again as a candidate for Outside Director.</p>			

- (Notes) 1. There are no special interests between each candidate and the Company.
2. Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi are candidates for Outside Director. The Company has notified the Tokyo Stock Exchange (TSE) of Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi as Independent Officers according to the rules of the TSE, and will designate them again as Independent Officers if the reappointment of the three candidates is approved.
 3. Mr. Yoshiyuki Suzuki is currently serving as the Company's Outside Director. His term of office as an Outside Director will be nine (9) years at the conclusion of this Annual General Meeting of Shareholders.
 4. Mr. Manabu Mori is currently serving as the Company's Outside Director. His term of office as an Outside Director will be three (3) years at the conclusion of this Annual General Meeting of Shareholders.
 5. Ms. Yuko Furuichi is currently serving as the Company's Outside Director. Her term of office as an Outside Director will be one (1) year at the conclusion of this Annual General Meeting of Shareholders.
 6. The Company has entered into an agreement to limit liability for damages with Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi, and will continue the agreement if the reappointment of the candidates is approved. The agreement covers liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, provided that the requirements stipulated by laws and regulations are met, in the amount specified in advance at 100,000 yen or above, or the minimum liability amount stipulated by laws and regulations, whichever is higher.
 7. The Company has entered into a directors and officers liability insurance agreement with an insurance company that compensates for damages, expenses arising from litigation, or other losses to be incurred by the insureds. Each candidate will be included as the insured under the insurance. The Company will renew the insurance on the same terms and conditions at the next renewal.
 8. None of Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi is an executive or an officer of a specified associated service provider of the Company, and none has been an executive of a specified associated service provider of the Company in the past ten years.
 9. None of Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi is to receive, or has received in the past two years, a large amount of money or other assets from the Company or a specified associated service provider of the Company.
 10. None of Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi is a spouse, a relative within the third degree of kinship, or other corporation equivalent thereto, of an executive or an officer of the Company or a specified associated service provider of the Company.
 11. None of Mr. Yoshiyuki Suzuki, Mr. Manabu Mori, and Ms. Yuko Furuichi has been an executive of a stock company that the Company has, in the past two years, succeeded to or received assignment of rights and obligations due to a merger, absorption-type company split, incorporation-type company split, or acceptance of assignment of business, as of the time immediately prior to such merger, etc.

The following shows the skill matrix of Directors and Audit & Supervisory Board Members if the Proposal 2 is approved and resolved as originally proposed.

Officer name	Sex (M/F)	Management	Finance	Human resources	Legal	IT (DX)	Marketing	Sustainability	Overseas
Hideyuki Hongo	M	●		●			●		
Kenichi Kitamura	M	●				●	●		
Takao Uematsu	M	●	●		●				
Yoshiyuki Suzuki	M		●		●			●	
Manabu Mori	M	●				●	●		
Yuko Furuichi	F						●	●	●
Satoru Gennai	M	●	●			●			
Michio Arai	M	●	●				●		
Junko Gono	F				●			●	●
Gyota Matsunaga	M			●	●			●	

Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

In the event that the number of Audit & Supervisory Board Members falls below the number stipulated by laws and regulations, the election of one (1) substitute Audit & Supervisory Board Member is proposed in advance.

The effect of the appointment in this proposal may be cancelled by a resolution of the Board of Directors with the consent of the Audit & Supervisory Board only prior to the assumption of office.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
Mikihiko Ota (January 12, 1985)	Mar. 2011 Graduated from Chuo Law School Sep. 2011 Passed the bar examination Dec.2012 Registered as an attorney Sep. 2013 Joined Fuji Joint Law Office May 2018 Belongs to Dai-Ichi Tokyo Bar Association	—
[Reasons for nomination as a candidate for substitute Audit & Supervisory Board Member] Although Mr. Mikihiko Ota has no experience in directly engaging in company management, we expect him to provide advice and guidance to us from a professional, fair, and neutral standpoint as an attorney, particularly with regard to compliance. We have therefore nominated him as a candidate for substitute Outside Audit & Supervisory Board Member.		

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Mr. Mikihiko Ota is a candidate for substitute Outside Audit & Supervisory Board Member.
 3. The Company will enter into an agreement to limit liability for damages with Mr. Mikihiko Ota if he assumes office as an Outside Audit & Supervisory Board Member. The agreement covers liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, provided that the requirements stipulated by laws and regulations are met, in the amount specified in advance at 100,000 yen or above, or the minimum liability amount stipulated by laws and regulations, whichever is higher.
 4. Mr. Mikihiko Ota will be designated as an Independent Officer according to the rules of the Tokyo Stock Exchange if he assumes office as an Audit & Supervisory Board Member. The Company has judged that he is highly independent, with no risk of conflict of interests between him and general shareholders.
 5. The Company will enter into a directors and officers liability insurance agreement with an insurance company that compensates for damages, expenses arising from litigation, or other losses to be incurred by the insureds. If Mr. Mikihiko Ota assumes office as an Audit & Supervisory Board Member, he will be included as the insured under the insurance. The Company will renew the insurance on the same terms and conditions at the next renewal.
 6. Mr. Mikihiko Ota is not an executive or an officer of a specified associated service provider of the Company, and he has not been an executive or an officer of a specified associated service provider of the Company in the past ten years.
 7. Mr. Mikihiko Ota is not to receive, or has not received in the past two years, a large amount of money or other assets from the Company or a specified associated service provider of the Company.
 8. Mr. Mikihiko Ota is not a spouse, a relative within the third degree of kinship, or other corporation equivalent thereto, of an executive or an officer of the Company or a specified associated service provider of the Company.
 9. Mr. Mikihiko Ota has not been an executive of a stock company that the Company has, in the past two years, succeeded to or received assignment of rights and obligations due to a merger, absorption-type company split, incorporation-type company split, or acceptance of assignment of business, as of the time immediately prior to such merger, etc.

[Reference]

■ Policies and procedures for the election of candidates for Director and Audit & Supervisory Board Member
(Directors)

1. Policies

The Company shall nominate candidates for Director from a broad and diverse range of personnel in accordance with the following nomination policies, in addition to the determination of their legal eligibility.

- Possess excellent personality and ethics as well as broad insight
- Possess a company-wide perspective, the ability to analyze and make decisions objectively, and excellent foresight
- Possess in-depth knowledge and experience in management, excellent business sense, familiarity with various management issues, and credentials to maximize the interests of the Company and its shareholders.

2. Procedures

In order to ensure fairness and transparency in the nomination of candidates for Director, the Company shall establish a Nomination and Advisory Committee, as voluntary advisory institutions, consisting of Directors, Independent Outside Directors, and Outside Audit & Supervisory Board Members selected by the Board of Directors. The Board of Directors nominates candidates for Director after a review based on the opinions of Independent Outside Directors, etc.

(Audit & Supervisory Board Members)

1. Policies

The Company shall nominate candidates for Audit & Supervisory Board Member from a broad and diverse range of personnel in accordance with the following nomination policies, in addition to the determination of their legal eligibility.

- Possess excellent personality and ethics as well as broad insight
- Possess in-depth understanding and knowledge of the Company's business
- Possess sophisticated knowledge and experience in law, finance, or accounting, as well as credentials to enhance the Company's auditing system

2. Procedures

In order to ensure fairness and transparency in the nomination of candidates for Audit & Supervisory Board Member, the Company shall propose candidates for Audit & Supervisory Board Member to the Audit & Supervisory Board after a review based on the opinions of Independent Outside Directors, etc. at the Nomination and Advisory Committee. Then, the Board of Directors nominates candidates for Audit & Supervisory Board Member with the consent of the Audit & Supervisory Board.

- Concept of the Board of Directors as a whole in terms of the balance of knowledge, experience, and ability, diversity, and size

The Board of Directors of the Company is composed of Directors with a wealth of knowledge and experience in respective business fields, in order to supervise business execution and make important decisions. The Outside Directors meet the independence criteria set forth by the Tokyo Stock Exchange and have extensive experience in management, which enables discussions based on their opinions from an independent and neutral standpoint. Furthermore, Audit & Supervisory Board Members, who understand the Company's business activities and have a wealth of knowledge and experience in finance, accounting, or law, attend the Board of Directors and express their opinions as needed. Thus, the Board of Directors of the Company appropriately secures the balance, diversity, and size, and functions effectively.

- Concept of Independence of Outside Officers

Independence criteria for Outside Officers

For the purpose of objectively determining independence of Outside Directors and Outside Audit & Supervisory Board Members (hereinafter, "Outside Officers"), the Company has established the independence criteria for Outside Officers as described below. The Company shall determine that an Outside Officer is not independent enough for the Company if the person meets any of the following items.

- (1) A person who is or was in the past an executive (Note 1) of the Group (Note 2)
- (2) A Director, Executive Managing Officer, Audit & Supervisory Board Member, or significant employee who is a major shareholder (Note 3) of the Company
- (3) A Director, Executive Managing Officer, Audit & Supervisory Board Member, or significant employee who is a major lender (Note 4) of the Company
- (4) An employee or a servant who is an accounting auditor of the Company
- (5) A Director, Executive Managing Officer, Audit & Supervisory Board Member, or Executive Officer mutually dispatched between the Company and other companies
- (6) A person who receives large amount of money (Note 5) or other financial benefits from the Company other than remuneration for officers
- (7) A Director, Executive Managing Officer, Audit & Supervisory Board Member, or significant employee who is a major business partner (Note 6) of the Company
- (8) A close relative (Note 7) who has fallen under any of the paragraphs (1) through (7) above

(Note 1) An executive refers to an executive stipulated in Article 2, Paragraph (3), Item (vi), of the Ordinance for Enforcement of the Companies Act.

(Note 2) The Group refers to the Company and its subsidiaries.

(Note 3) A major shareholder refers to one of the top ten (10) shareholders shown in the Company's most recent business report.

(Note 4) A major lender refers to the major lender of the Group shown in the Company's most recent business report.

(Note 5) Large amount of money refers to remuneration and donations, etc. for professional services, etc., totaling 10 million yen or more per year.

(Note 6) A major business partner refers to a company, etc. that pays or receives compensation of more than 1% of the consolidated sales of the business partner or the Company for transactions with the Group.

(Note 7) A close relative refers to a relative within the second degree of kinship, a spouse, or a partner.

End