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Securities code: 3267
February 3, 2023

To Shareholders with Voting Rights:

Yuichi Nomi
CEO and Representative
Phil Company, Inc.
1-12, 3-chome, Tsukiji, Chuo-ku,
Tokyo, Japan

**NOTICE OF
THE 18TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

- 1. Date and Time:** Tuesday, February 21, 2023 at 10:00 a.m. Japan time
(Reception opens at 9:30 a.m.)
- 2. Place:** Halls A&B, Bellsalle Kudan, 3F, Sumitomo Fudosan Kudan Building,
8-10, 1-chome Kudankita, Chiyoda-ku, Tokyo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 18th Fiscal Year (December 1, 2021–November 30, 2022) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 18th Fiscal Year (December 1, 2021–November 30, 2022)
- Proposals to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Four (4) Directors (Excluding Directors Concurrently Serving As Audit and Supervisory Committee Members)
- Proposal 3:** Election of Two (2) Directors Concurrently Serving As Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director Concurrently Serving As an Audit and Supervisory Committee Member
- Proposal 5:** Revision of the Amount of Remuneration, etc. for Directors (Excluding Directors Concurrently Serving As Audit and Supervisory Committee Members)

- © If any changes are made to the Reference Documents to the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements, they will be posted on the Company's website (<https://philcompany.jp/ir/>).
- © The following items are posted on the Company's website above pursuant to laws, regulations and Article 14 of the Company's Articles of Incorporation, and are not included in the documents attached to this Notice. The documents attached to this Notice are therefore part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor for the preparation of their audit reports.
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| (1) Status of the Accounting Auditor | (4) Notes to Consolidated Financial Statements |
| (2) Structure and Policy of the Company | (5) Non-consolidated Statement of Changes in Equity |
| (3) Consolidated Statement of Changes in Equity | (6) Notes to Non-consolidated Financial Statements |

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) allowing companies to adopt a system for electronic provision of materials for general meetings of shareholders become effective on September 1, 2022. Accordingly, new provisions will be established to electronically provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. and to allow the Company 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 current provisions on internet disclosure and deemed provision of the Reference Documents for the General Meeting of Shareholders, etc. will become unnecessary and will therefore be deleted, and supplementary provisions related to transitional measures, etc. following the amendments will be established.

- (2) The Company decided at a meeting of its Board of Directors held on January 31, 2023 to introduce a delegation-style executive officer system. The purpose of the system is to separate the managerial decision making and supervisory functions from the business execution function to clarify where the responsibility for business execution lies as well as to establish a flexible management structure by delegating the authority to execute business. For the introduction of the delegation-style executive officer system, Article 17 (Number of Directors) of the Articles of Incorporation will be amended.

2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.)</u></p> <p><u>Article 14 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</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>provided in the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p> <p>Chapter 4 Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 17 The Company shall have not more than <u>ten (10)</u> Directors (excluding Directors concurrently serving as Audit and Supervisory Committee Members).</p> <p>2. The Company shall have not more than <u>five (5)</u> Directors concurrently serving as Audit and Supervisory Committee Members.</p> <p>Supplementary Provisions</p> <p>Article 1 (Omitted)</p> <p>(Newly established)</p>	<p><u>(Measures for Electronic Provision, etc.)</u></p> <p><u>Article 14 The Company shall, when convening a general meeting of shareholders, electronically provide information contained in the reference documents for the general meeting of shareholders, etc.</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> <p>Chapter 4 Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 17 The Company shall have not more than <u>five (5)</u> Directors (excluding Directors concurrently serving as Audit and Supervisory Committee Members).</p> <p>2. The Company shall have not more than <u>three (3)</u> Directors concurrently serving as Audit and Supervisory Committee Members.</p> <p>Supplementary Provisions</p> <p>Article 1 (Unchanged)</p> <p><u>(Transitional Measures Related to Measures for Electronic Provision)</u></p> <p><u>Article 2 Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) of the Articles of Incorporation before the amendments shall remain in force with respect to a general meeting of shareholders to be</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>held on a date within six months from September 1, 2022.</u></p> <p><u>2. This Article shall be deleted after the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph.</u></p>

Proposal 2: Election of Four (4) Directors (Excluding Directors Concurrently Serving As Audit and Supervisory Committee Members)

The terms of office of all nine (9) Directors (excluding Directors concurrently serving as Audit and Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company proposes the election of four (4) Directors, reducing the number of Directors by five (5) to establish a flexible management structure following the introduction of the delegation-style executive officer system.

The Board of Directors decided to submit this proposal after receiving an objective report from the voluntary Nomination and Remuneration Committee, a majority of whose members are independent Outside Directors. The Audit and Supervisory Committee discussed this proposal and did not make any specific comments.

The candidates for Directors are as follows.

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Mari Kaneko [New appointment]	Director Concurrently Serving as a full-time Audit and Supervisory Committee Member	100% (18/18)
2	Yuichi Nomi [Reappointment]	CEO and Representative	100% (18/18)
3	Nobuaki Takahashi [New appointment]	—	—
4	Daisuke Yanasawa [New appointment] [Outside]	—	—

- Notes:
1. There are no special interests between the Director candidates and the Company.
 2. Ms. Mari Kaneko currently serves as Director concurrently serving as an Audit and Supervisory Committee Member of the Company. At the conclusion of this Annual General Meeting of Shareholders, she will resign as Director concurrently serving as an Audit and Supervisory Committee Member on the condition that she is elected Director (excluding Director concurrently serving as an Audit and Supervisory Committee Member) at the said meeting.
 3. Mr. Daisuke Yanasawa is a candidate for Outside Director.
 4. Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the same Act. If the election of Mr. Daisuke Yanasawa as Outside Director is approved, the Company will enter into the above agreement with him. The amount of liability for damages based on the agreement is limited to the amount stipulated by laws and regulations.
 5. Based on Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance

covers any damages that may result from the insured Directors and Officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. If elected, the candidates will be insured under the insurance contract. When the existing insurance contract expires, the Company will renew it the same content.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Mari Kaneko (August 23, 1962)</p> <p>[New appointment]</p> <p>[Attendance at the Board of Directors meetings] 18/18 (100%)</p>	<p>April 1986 Joined IBM Japan Ltd</p> <p>March 2002 Completed master's course at Department of Business Administration, Faculty of Commerce and Management, Hitotsubashi University Graduate School</p> <p>August 2006 Registered as U.S. Certified Public Accountant</p> <p>September 2006 Joined Fujita Rashi USA Corp. Accounting Manager</p> <p>June 2008 Established Beni LLC Representative</p> <p>January 2014 Joined the Company</p> <p>February 2014 Full-time Corporate Auditor</p> <p>March 2014 Audit and Supervisory Board Member, Phil Construction, Inc. (current position)</p> <p>January 2019 Audit and Supervisory Board Member, Premium Garage House Inc. (current position)</p> <p>February 2022 Director (Full-time Audit and Supervisory Committee Member), the Company (current position)</p> <p>June 2022 Outside Auditor, MORITA HOLDINGS CORPORATION (current position)</p> <p>[Significant concurrent positions] Audit and Supervisory Board Member, Phil Construction, Inc. Audit and Supervisory Board Member, Premium Garage House Inc. Outside Auditor, MORITA HOLDINGS CORPORATION</p>	12,000
<p>[Reason for nomination as a candidate for Director]</p> <p>Ms. Mari Kaneko has a wide range of knowledge on finance and accounting. Serving as Corporate Auditor or Director concurrently serving as an Audit and Supervisory Board Member for a long time, she has made proposals and given advice in an appropriate manner and is well-versed in the state of affairs of the Company. In addition, she has a wealth of experience and a high level of insight as a corporate manager, which she gained from her overseas corporate management experience. The Company believes that she is a suitable person to serve as CEO and Representative to exercise her leadership to incorporate diverse points of view, including the perspective of diversity, into future Board of Directors discussions and deliberations. The Company, therefore, nominates her 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	<p data-bbox="231 459 406 526">Yuichi Nomi (April 6, 1974)</p> <p data-bbox="223 571 414 593">[Reappointment]</p> <p data-bbox="199 638 438 795">[Number of years in office as Director] 13 years and 11 months (at the conclusion of this meeting)</p> <p data-bbox="215 840 422 952">[Attendance at the Board of Directors meetings] 18/18 (100%)</p>	<p data-bbox="470 280 1236 336">April 1998 Joined Jac Co., Ltd. (currently Carchs Holdings Co., Ltd.)</p> <p data-bbox="470 347 1101 403">July 2000 Established Young Leaves Co., Ltd. Representative Director</p> <p data-bbox="470 414 1228 470">April 2003 Director, Re.Ra.Ku Inc. (currently MEDIROM Healthcare Technologies Inc.)</p> <p data-bbox="470 481 909 515">October 2004 Managing Director</p> <p data-bbox="470 526 949 560">March 2009 Director, the Company</p> <p data-bbox="470 571 1053 604">March 2014 Director, Phil Construction, Inc.</p> <p data-bbox="470 616 1181 672">February 2015 Director and Executive Vice President, the Company</p> <p data-bbox="470 683 1204 716">June 2015 Executive Vice President and Representative</p> <p data-bbox="470 728 1173 761">October 2015 CEO and Representative (current position)</p> <p data-bbox="470 772 1260 828">January 2021 CEO and Representative, Premium Garage House Inc. (current position)</p> <p data-bbox="470 840 1260 896">July 2021 Director, Phil Community Development Funding, Inc. (current position)</p> <p data-bbox="470 907 1236 963">July 2022 Representative, Phil Business Succession and Community Revitalization Project, Inc. (current position)</p> <p data-bbox="470 974 1276 1142">[Significant concurrent positions] CEO and Representative, Premium Garage House Inc. Director, Phil Community Development Funding, Inc. Representative, Phil Business Succession and Regional Revitalization Project, Inc.</p>	195,100
<p data-bbox="191 1164 782 1187">[Reason for nomination as a candidate for Director]</p> <p data-bbox="191 1198 1460 1489">Mr. Yuichi Nomi achieved a dramatic growth of the Company's business by turning the Phil Park aerial shop into a business model and implementing other management reforms. As CEO and Representative, he has always exercised leadership and led the Company to be listed on the Mothers Section and then on the Prime Market of the Tokyo Stock Exchange. The Company believes that his wealth of experience cultivated as CEO would be conducive to a further increase in corporate value if he specializes in and concentrates on building new business models, collaborating with other companies, and developing future corporate managers while paying close attention to the continuity of the Company's business. The Company, therefore, nominates 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	Nobuaki Takahashi (August 16, 1977) [New appointment]	April 2001 Joined ORIX Corporation June 2003 Joined Actus Management Services, K.K. June 2005 Established the Company Director January 2006 Representative Director March 2007 CEO and Representative October 2015 Representative Director January 2017 Director, Phil Construction, Inc. February 2017 Director, the Company February 2020 Established PHALs, Inc. Representative Director (current position) [Significant concurrent positions] Representative Director, PHALs, Inc.	1,444,300
<p>[Reason for nomination as a candidate for Director]</p> <p>As a founding member of the Company, Mr. Nobuaki Takahashi created the management philosophy and the business foundation. After the establishment of the Company, he has constantly given advice and made proposals to increase shareholder value. In addition, he has hands-on experience in facilitating growth and building governance structures at other companies as an investor and corporate manager. He thus has known the social significance of the existence of the Company since its foundation and has a wealth of experience as an investor and corporate manager. As the business environment surrounding the Company is changing substantially, the Company believes that adopting his advice is instrumental in the Company's sustainable growth and corporate value increase. The Company, therefore, nominates 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
4	<p>Daisuke Yanasawa (February 19, 1974)</p> <p>[New appointment] [Outside]</p>	<p>April 1996 Joined Sony Music Entertainment (Japan) Inc.</p> <p>August 1998 Established KAYAC Inc. as a limited partnership corporation General Partner</p> <p>January 2005 Established KAYAC Inc. as a joint-stock corporation Representative Director (current position)</p> <p>September 2015 External Director, TOW CO., LTD (current position)</p> <p>November 2015 Director, placole Inc. (current position)</p> <p>May 2017 Director, Inamuragasaki Sanchome Real Estate Inc. (currently Real Kamakura Estate Inc.) (current position)</p> <p>October 2019 Outside Director, INCLUSIVE, INC. (current position)</p> <p>May 2021 Representative Director, KAYAC ZERO Inc. (current position)</p> <p>November 2021 Member of the Council for a Vision for a Digital Garden City Nation Realization, Cabinet Secretariat (current position)</p> <p>November 2022 Outside Director, LIVING HOUSE. (current position)</p> <p>[Significant concurrent positions] Representative Director, KAYAC Inc. External Director, TOW CO., LTD Director, placole Inc. Director, Real Kamakura Estate Inc. Outside Director, INCLUSIVE, INC. Outside Director, LIVING HOUSE.</p>	0
<p>[Reason for nomination as a candidate for Director and expected roles]</p> <p>Mr. Daisuke Yanasawa has a wealth of experience and a high level of insight as a founder and corporate manager of a listed company. He has advocated for “regional capitalism” and given shape to the concept in actual corporate management. He thus has a deep knowledge of community development and regional revitalization, which the Company has been driving forward. His extensive experience among other factors is expected to be instrumental in the Company’s sustainable growth and corporate value increase. The Company, therefore, nominates him as a candidate for Outside Director.</p>			

Proposal 3: Election of Two (2) Directors Concurrently Serving As Audit and Supervisory Committee Members

Ms. Mari Kaneko and Ms. Hiroko Nishino, Directors concurrently serving as Audit Supervisory Committee Members, will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Directors concurrently serving as Audit Supervisory Committee Members. Mr. Naoto Matsumoto will replace Ms. Mari Kaneko, and Mr. Takayuki Satoh will replace Ms. Hiroko Nishino. If elected, the candidates will serve the remaining terms of office of the resigning Directors concurrently serving as Audit and Supervisory Committee Members, pursuant to the provisions of the Company's Articles of Incorporation.

The Audit and Supervisory Committee has approved this proposal.

The candidates for Director concurrently serving as Audit and Supervisory Committee Members are as follows.

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Naoto Matsumoto [New appointment] [Outside] [Independent]	—	— —
2	Takayuki Satoh [New appointment] [Outside] [Independent]	Outside Director	100% (18/18)

- Notes:
1. There are no special interests between the Director candidates and the Company.
 2. The candidates above are candidates for Outside Director concurrently serving as Audit and Supervisory Committee Members.
 3. Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Takayuki Satoh to limit his liability for damages under Article 423, Paragraph 1 of the same Act. If the election of Mr. Takayuki Satoh as Director concurrently serving as an Audit and Supervisory Committee Member is approved, the Company will continue the above agreement. If the election of Mr. Naoto Matsumoto as Director concurrently serving as an Audit and Supervisory Committee Member is approved, the Company will enter into the above agreement with him. The amount of liability for damages based on the agreement is limited to the amount stipulated by laws and regulations.
 4. The Company has registered Mr. Takayuki Satoh as an independent Director with the Tokyo Stock Exchange, as stipulated in the Securities Listing Regulations of the said Exchange. If the proposal for the election of Mr. Naoto Matsumoto and Mr. Takayuki Satoh is approved, the Company will designate them as independent Directors.
 5. Based on Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may result from the insured Directors and Officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. If elected, the candidates will be insured under the insurance contract. When the existing insurance contract expires, the Company will renew it the same content.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Naoto Matsumoto (March 23, 1980)</p> <p>[New appointment] [Outside] [Independent]</p>	<p>April 2002 Joined Future Venture Capital Co., Ltd.</p> <p>March 2007 General Manager of Kansai Investment Department</p> <p>June 2009 General Manager of Head Office Investment Department (concurrently General Manager of Kansai Investment Department)</p> <p>June 2010 Executive Officer, General Manager of West Japan Investment Department</p> <p>June 2011 Director, General Manager of West Japan Investment Department</p> <p>January 2016 Representative Director and President, General Manager of Investment Department</p> <p>March 2016 Representative Director and President</p> <p>June 2017 Outside Director, DIGITAL ALLIANCE HOLDINGS CO., LTD (current position)</p> <p>July 2022 Representative Director and President, ABAKAM, Inc. (current position)</p> <p>August 2022 Director, Kobe University Capital, Inc. (current position)</p> <p>September 2022 External Director, Smartvalue Co., Ltd. (Member of the Nominations Committee and the Remuneration Committee) (current position)</p> <p>[Significant concurrent positions] Outside Director, DIGITAL ALLIANCE HOLDINGS CO., LTD Representative Director and President, ABAKAM, Inc. Director, Kobe University Capital, Inc. External Director, Smartvalue Co., Ltd. (Member of the Nominations Committee and the Remuneration Committee)</p>	0
<p>[Reason for nomination as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Naoto Matsumoto has a wealth of experience and a high level of insight as a corporate manager of a listed company. He incubates startups to revitalize regional economies, and has a deep knowledge of community development and regional revitalization, which the Company has been driving forward. The Company expects him to supervise and monitor the management based on his extensive experience among other factors. The Company, therefore, nominates him as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Takayuki Satoh (October 10, 1969)</p> <p>[New appointment] [Outside] [Independent]</p> <p>[Number of years in office as Outside Director] 3 years (at the conclusion of this meeting)</p> <p>[Attendance at the Board of Directors meetings] 18/18 (100%)</p>	<p>April 1992 Joined Union Bank of Switzerland (currently UBS) Tokyo Branch</p> <p>April 1996 Joined Deloitte Touche Tohmatsu LLP (U.S. San Francisco Office)</p> <p>October 2000 Registered as an attorney-at-law (Tokyo Bar Association)</p> <p>April 2002 Established Satoh Business Law Office Representative (current position)</p> <p>July 2004 Outside Auditor, ACE Insurance (currently Chubb Insurance Japan)</p> <p>October 2006 Outside Auditor, State Street Trust and Banking Co., Ltd.</p> <p>June 2007 Outside Audit & Supervisory Board Member, MIXI, Inc.</p> <p>June 2018 Outside Auditor, Meiko Electronics Co., Ltd.</p> <p>September 2019 External Audit & Supervisory Board Member, Zenken Corporation (current position)</p> <p>February 2020 Outside Director, the Company (current position)</p> <p>April 2021 Outside Auditor, TORICO Co., Ltd. (current position)</p> <p>June 2021 Standing Audit & Supervisory Board Member, AI inside Inc. (current position)</p> <p>[Significant concurrent positions] Representative, Satoh Business Law Office Standing Audit & Supervisory Board Member, AI inside Inc. External Audit & Supervisory Board Member, Zenken Corporation Outside Auditor, TORICO Co., Ltd.</p>	0
<p>[Reason for nomination as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Takayuki Satoh has professional work experience as a U.S. Certified Public Accountant, and has a substantial level of knowledge on finance and accounting. He also has expertise and a wealth of experience in law and compliance, cultivated through his job as an attorney-at-law. The Company expects him to take advantage of his extensive experience and high level of insight in audit and supervision. The Company, therefore, nominates him as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member.</p>			

(Reference)

If Proposals 2 and 3 are approved at this Annual General Meeting of Shareholders as proposed, the composition of the Board of Directors and knowledge, experience, and skills each Director has will be as follows.

Name	Position	Knowledge, experience, and skills						
		Corporate management	Finance and accounting / M&A	Legal affairs and risk Governance	Business strategy / Marketing	IT	Global	ESG / Sustainability
Mari Kaneko	CEO and Representative	○	○	○			○	○
Yuichi Nomi	Director	○			○	○		○
Nobuaki Takahashi	Director	○	○		○		○	○
Daisuke Yanasawa [Outside]	Director	○			○	○		○
Yasushi Kawano [Outside] [Independent]	Director (Audit and Supervisory Committee Member)		○	○				
Naoto Matsumoto [Outside] [Independent]	Director (Audit and Supervisory Committee Member)	○	○	○	○			
Takayuki Satoh [Outside] [Independent]	Director (Audit and Supervisory Committee Member)		○	○		○		

Proposal 4: Election of One (1) Substitute Director Concurrently Serving As an Audit and Supervisory Committee Member

To prepare for the event that the number of Directors concurrently serving as Audit and Supervisory Committee Members falls below the number required by laws and regulations, the Company proposes the election of one (1) substitute Director concurrently serving as an Audit and Supervisory Committee Member.

The effectiveness of the election under this proposal may be cancelled by a resolution of the Board of Directors with the consent of the Audit and Supervisory Committee, provided that such cancellation comes before the candidate assumes office as Audit and Supervisory Committee Member.

The Audit and Supervisory Committee has approved the submission of this proposal.

The Candidate for substitute Director concurrently serving as an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
<p>Hiroko Nishino (October 21, 1976)</p> <p>[Outside] [Independent]</p> <p>[Number of years in office as Outside Director] 1 year (at the conclusion of this meeting)</p>	<p>October 2003 Registered as an attorney-at-law (Daini Tokyo Bar Association) Joined Asahi Koma Law Offices (currently Nishimura & Asahi)</p> <p>May 2013 Partner, Daichi Law Offices (current position)</p> <p>February 2016 Corporate Auditor, the Company</p> <p>November 2017 Audit and Supervisory Board Member, FOODCONNECTION Inc. (current position)</p> <p>December 2017 Supervisory Officer, Nisshin Private Residential Reit, Inc. (current position)</p> <p>February 2022 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p> <p>November 2022 Outside Director, NEIS Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Partner, Daichi Law Offices Outside Director, NEIS Co., Ltd.</p>	<p>700</p>

[Reason for nomination as a candidate for substitute Outside Director concurrently serving as an Audit and Supervisory Committee Member and expected roles]

Ms. Hiroko Nishino is a qualified attorney-at-law and has expertise in law that covers a variety of fields. She is expected to take advantage of her extensive experience and high level of insight in audit and supervision of the Company. The Company believes that she is fully capable of carrying out her duties appropriately. The Company, therefore, nominates her as a candidate for substitute Outside Director concurrently serving as an Audit and Supervisory Committee Member.

- Notes:
1. There are no special interests between the candidate and the Company.
 2. Ms. Hiroko Nishino is a candidate for substitute Outside Director concurrently serving as an Audit and Supervisory Committee Member.
 3. Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Hiroko Nishino to limit her liability for damages under Article 423, Paragraph 1 of the same Act. If Ms. Hiroko Nishino assumes office as Director concurrently serving as an Audit and Supervisory Committee Member, the Company will

enter into the above agreement with her again. The amount of liability for damages based on the agreement is limited to the amount stipulated by laws and regulations.

4. The Company has registered Ms. Hiroko Nishino as an independent Director with the Tokyo Stock Exchange, as stipulated in the Securities Listing Regulations of the said Exchange. If Ms. Hiroko Nishino assumes office as Director concurrently serving as an Audit and Supervisory Committee Member, the Company will designate her as an independent Director.
5. Based on Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may result from the insured Directors and Officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. If Ms. Hiroko Nishino assumes office as Director concurrently serving as an Audit and Supervisory Committee Member, she will be insured under the insurance contract.

Proposal 5: Revision of the Amount of Remuneration, etc. for Directors (Excluding Directors Concurrently Serving As Audit and Supervisory Committee Members)

The 17th Annual General Meeting of Shareholders, held on February 22, 2022, adopted a resolution setting the maximum amount of annual remuneration for Directors (excluding Directors concurrently serving as Audit and Supervisory Committee Members; the same applies hereinafter in this proposal) at 500,000 thousand yen (of which not more than 50,000 thousand yen is for Outside Directors), and the resolution remains effective. Due to the decrease in the number of Directors following the introduction of the delegation-type executive officer system, the Company proposes revising the maximum amount of annual remuneration for Directors to 200,000 thousand yen (of which not more than 50,000 thousand yen is for Outside Directors). The amount of remuneration, etc. for Directors does not include the employee salary portion for Directors concurrently serving as employees. The Company considers the amount of remuneration for Directors reasonable because the Board of Directors determined the amount after receiving an objective report from the voluntary Nomination and Remuneration Committee, a majority of whose members are independent Outside Directors. If Proposal 2 “Election of Four (4) Directors (Excluding Directors Concurrently Serving As Audit and Supervisory Committee Members)” is approved as proposed, the Company will have four (4) Directors (of which one (1) is an Outside Director). The Audit and Supervisory Committee discussed this proposal and did not make any specific comments.