

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 7381

May 19, 2023

To our shareholders:

Shuji Tsuemura  
Director and President  
**Hokkoku Financial Holdings, Inc.**  
2-12-6 Hirooka, Kanazawa, Ishikawa, 920-8670 Japan

## NOTICE OF THE 2ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 2nd Ordinary General Meeting of Shareholders of Hokkoku Financial Holdings, Inc. (the “Company”), which will be held as described below.

You may exercise your voting rights either in writing (by post) or via internet. After reviewing the attached reference documents for the General Meeting of Shareholders, please exercise your voting rights no later than 5:30 p.m., Thursday, June 8, 2023 (Japan Standard Time).

- 1. Date and Time:** Friday, June 9, 2023 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** Main Hall, 3F Hokkoku Financial Holdings Head Office Building  
2-12-6 Hirooka, Kanazawa, Ishikawa

### 3. Purposes:

#### Items to be reported:

The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the 2nd Term (from April 1, 2022 to March 31, 2023), as well as the results of audits by the Accounting Auditor and the Audit and Supervisory Committee

#### Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Three (3) Directors who are not Audit and Supervisory Committee Members
- Proposal 3:** Election of Six (6) Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Election of Accounting Auditor

#### ■ Measures for Providing Reference Documents for the General Meeting of Shareholders in Electronic Format

On the occasion of this general meeting of shareholders, the Company has taken measures (websites below) to provide information (items for which measures for providing information in electronic format will be taken) included in the Reference Documents for the General Meeting of Shareholders, etc., according to the Companies Act and the stipulations of the Company’s Articles of Incorporation. However, notwithstanding any requests for the delivery of documents based on the Companies Act, the Company will send the information to all shareholders in writing as before.

The Company’s website (“General Meeting of Shareholders Information” page)

Please access the URL below and refer to “2nd Ordinary General Meeting of Shareholders.”

<https://www.hfhd.co.jp/ir/stock/soukai.html> (in Japanese)

TSE website (Listed Company Search)

Please access the URL below and input “Hokkoku Financial Holdings, Inc.” in “Issue name (company name)” or “7381” in “Code” to search. Then, confirm the information after selecting “Basic information” and “Documents for public inspection/PR information,” in that order.

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

#### ■ Omission of Some Items from These Documents

Among items subject to measures for electronic provision, the following are published on the websites above as “Items Excluded from the Paper-based Notice to Be Delivered of the 2nd Ordinary General Meeting of Shareholders”

in accordance with the provisions of laws and regulations as well as the stipulations of the Company's Articles of Incorporation. Please refer to those.

[Business Report]

- Conditions of the enterprise group, the Company's assets and gain or loss
- Conditions of the enterprise group's employees
- Systems to ensure appropriateness of business operations
- Matters related to specified wholly owned subsidiaries
- Conditions of the enterprise group's principal business locations, etc.
- Matters related to the Accounting Auditor
- Policy related to determination of distribution of dividends of surplus, etc.
- Matters related to transactions among the parent company, etc.

[Consolidated Financial Statements and Non-consolidated Financial Statements]

- Consolidated statements of changes in net assets
- Non-consolidated statements of changes in shareholder's equity
- Notes to consolidated financial statements
- Notes to non-consolidated financial statements

These items are subject to audit when the Audit and Supervisory Committee creates the Audit Report and the Accounting Auditor creates the Accounting Audit Report, respectively.

■ If Revisions to the Items Subject to Measures for Electronic Provision Arise

If revisions to the items subject to measures for electronic provision arise, a notice of the revisions as well as the details of the items before and after the revisions will be published on the websites above.

■ Precautions When Attending the Meeting

If attending the meeting, please submit the Voting Rights Exercise Form sent with this notice of the General Meeting of Shareholders at the venue's reception desk.

Please also bring the notice of the General Meeting of Shareholders with you in order to conserve paper resources.

■ The Sales Report

The Sales Report will be published on the Company's website starting this year. Please access the URL below to check the "Sales Report for the 2nd Term."

The Company's website ("General Meeting of Shareholders Information" page)

<https://www.hfhd.co.jp/ir/stock/soukai.html> (available in Japanese only)

## Notes Regarding General Meeting of Shareholders

### 1. Requests to shareholders

- We request that you do not attend the meeting in person but make use of the ability to exercise your voting rights in advance by mail or Internet.  
Deadline for exercising voting rights: Received or sent electronically no later than 5:30 p.m., Thursday, June 8, 2023 (Japan Standard Time)
- If you are considering attending the General Meeting of Shareholders in person, you should give sufficient consideration to the state of your health on the day of the meeting and not make unnecessary efforts to attend the meeting.

### 2. The Company's response

- A live streaming of the General Meeting of Shareholders will be conducted to allow shareholders who do not attend in person to view it via the internet.  
For details, please refer to “Guidance on viewing the live streaming of the General Meeting of Shareholders” (page 7) (available in Japanese only).
- Shareholders are able to submit their questions for the General Meeting of Shareholders beforehand.  
For details, please refer to “Guidance on submitting questions in advance” (page 8) (available in Japanese only).
- We will not provide gifts to shareholders who attend the meeting in person.
- Officers and staff running the meeting will fully check the state of their health.
- Shareholders who start to feel ill at the meeting should notify the staff running the meeting. Staff may say something to shareholders who they think are not feeling well.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of Surplus

The Company's basic policy is to allocate retained earnings to growth investments and shareholder returns while maintaining an appropriate level of owned capital in order to improve capital efficiency.

As its policy for returning profit to shareholders, the Company targets a total return ratio level, including dividends and share buybacks, of 50% or higher.

Considering the business performance for the fiscal year under review and future business development, the Company proposes the payment of year-end dividends as follows:

Matters related to year-end dividends:

- (1) Type of dividend property  
To be paid in cash.
- (2) Allocation of dividend property and total amount thereof:  
¥50 per common share of the Company  
Total amount of dividends: ¥1,260,215,350
- (3) Effective date of distribution of dividends of surplus is  
June 12, 2023

**Proposal 2:** Election of Three (3) Directors who are not Audit and Supervisory Committee Members

Mr. Kazuya Nakamura resigned as Director as of February 28, 2023 and the terms of office of other Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of three (3) Directors.

Please note that when selecting the candidates for Directors, appropriate procedures, such as deliberation by the optional Nomination and Compensation Committee (a majority of which is outside Directors) have been performed. Considering their execution of duties in the fiscal year under review, the Audit and Supervisory Committee judges that the candidates are suitable for the position of Director at the Company.

The candidates for Directors are as follows:

No.	Name			Current position and responsibilities at the Company	Attendance at Board of Directors meetings for fiscal 2022
1	Shuji Tsuemura	(Male)	For reelection	Director and President (Representative Director)	100% (11/11)
2	Koichi Nakada	(Male)	For reelection	Director (Representative Director)	100% (11/11)
3	Yuji Kakuchi	(Male)	For reelection	Director	100% (11/11)

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Shuji Tsuemura (July 6, 1961) (Male) For reelection</p>	<p>Apr. 1985      Joined The Hokkoku Bank, Ltd.</p> <p>Jun. 2008      Executive Officer, General Manager of General Planning Department and System Department</p> <p>Jun. 2009      Director and Executive Officer, General Manager of General Planning Department and Operations Department</p> <p>Jun. 2010      Managing Director and Executive Officer, General Manager of General Planning Department and Operations Department</p> <p>Apr. 2011      Managing Director and Executive Officer, General Manager of General Planning Department</p> <p>Apr. 2013      Managing Director and Executive Officer</p> <p>Jun. 2013      Senior Managing Director (Representative Director)</p> <p>Jun. 2020      President (Representative Director) (present position)</p> <p>Oct. 2021      President (Representative Director) of the Company (present position)</p> <p>■ Significant concurrent positions outside the Company President (Representative Director), The Hokkoku Bank, Ltd. Corporate Auditor (Outside), TAKAMATSU MACHINERY CO., LTD. (expected to retire from office in June)</p>	7,800
<p>■ Reason for nomination as candidate for Director</p> <p>Mr. Shuji Tsuemura has long been involved in the field of corporate planning since joining The Hokkoku Bank, Ltd., a Group company, and he has significantly contributed to improving corporate value by taking the lead cross-organizationally for core projects of the Company. He has vigorously promoted rebuilding business models and implementing DX within bank operations, and he was appointed Director and President (Representative Director) in October 2021. He was nominated as a candidate for Director because the Company judges that he will be able to utilize his many years of experience and knowledge to execute management of the Company accurately, fairly, and efficiently. The Company expects that he will further strengthen the effectiveness of decision-making and auditing function of the Board of Directors.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Koichi Nakada (September 11, 1960) (Male) For reelection</p>	<p>Apr. 1983      Joined The Hokkoku Bank, Ltd. Apr. 2011      Executive Officer, General Manager of Komatsu Area and Komatsu Branch Manager Jun. 2013      Director and Executive Officer, General Manager of Komatsu Area and Komatsu Branch Manager Apr. 2015      Director and Executive Officer, Tokyo Branch Manager Apr. 2017      Director, General Manager of Management Administration Department and Legal Office Jun. 2017      Managing Director, General Manager of Management Administration Department and Legal Office Mar. 2021      Director, Senior Executive Officer Oct. 2021      Director of the Company Mar. 2023      Director (Representative Director) (present position) ■ Significant concurrent positions outside the Company President and Representative Director, The BPO Management, Ltd. Director and Audit &amp; Supervisory Committee Member (Outside), KOMATSU WALL INDUSTRY CO., LTD.</p>	2,700
<p>■ Reason for nomination as candidate for Director In addition to having served as the General Manager of multiple sales branches in key locations after joining The Hokkoku Bank, Ltd., a Group company, Mr. Koichi Nakada has been involved in fields such as risk management, financial strategy, and human resource development. He has both a wealth of business experience and wide-ranging, extensive knowledge of corporate management. He was appointed Director in October 2021. He was nominated as a candidate for Director because the Company judges that he will be able to execute management of the Company accurately, fairly, and efficiently. The Company expects that he will further strengthen the effectiveness of decision-making and auditing function of the Board of Directors.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
3	Yuji Kakuchi (July 15, 1960) (Male) For reelection	<p>Apr. 1983      Joined The Hokkoku Bank, Ltd.</p> <p>Apr. 2014      Executive Officer, General Manager of Capital Market Department and International Department</p> <p>Apr. 2017      Executive Officer, General Manager of Capital Market Department</p> <p>Jun. 2017      Director, General Manager of Capital Market Department</p> <p>Jun. 2020      Managing Director, General Manager of Capital Market Department</p> <p>Mar. 2021      Director, Senior Executive Officer</p> <p>Oct. 2021      Director of the Company (present position)</p> <p>■ Significant concurrent positions outside the Company President and Representative Director, The Hokkoku General Leasing Company Co., Ltd. (expected to take up position in June)</p>	3,700
<p>■ Reason for nomination as candidate for Director</p> <p>Mr. Yuji Kakuchi has been mainly involved in the fields of financial strategy, overseas business, and market operations since joining The Hokkoku Bank, Ltd., a Group company. He has a wealth of business experience and wide-ranging, extensive knowledge of corporate management. He was appointed Director in October 2021. He was nominated as a candidate for Director because the Company judges that he will be able to execute management of the Company accurately, fairly, and efficiently. The Company expects that he will further strengthen the effectiveness of decision-making and auditing function of the Board of Directors.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. Legal compensation for damages and litigation costs to be borne by an insured are covered by the insurance agreement. Each of the candidates for Directors is included as an insured in the insurance agreement, and the Company intends to renew the agreement during their terms of office.



**Proposal 3:** Election of Six (6) Directors who are Audit and Supervisory Committee Members

The terms of office of all Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of six (6) Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

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

No.	Name			Current position and responsibilities at the Company	Attendance at Board of Directors meetings for fiscal 2022
1	Nobuhiro Torigoe	(Male)	For reelection	Director, Audit and Supervisory Committee Member (Full-time)	100% (11/11)
2	Taku Oizumi	(Male)	For reelection Outside	Director, Audit and Supervisory Committee Member (Outside)	91% (10/11)
3	Naoko Nemoto	(Female)	For reelection Outside	Director, Audit and Supervisory Committee Member (Outside)	100% (11/11)
4	Sakon Uda	(Male)	New candidate Outside		
5	Fumihiko Haga	(Male)	New candidate Outside		
6	Kimie Harada	(Female)	New candidate Outside		

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Nobuhiro Torigoe (January 2, 1960) (Male) For reelection</p>	<p>Apr. 1982      Joined The Hokkoku Bank, Ltd. Apr. 2014      Executive Officer, General Manager of Operations Department Apr. 2015      Executive Officer, General Manager of Operations Department and System Department Apr. 2016      Executive Officer, General Manager of General Planning Department Jun. 2016      Director, General Manager of General Planning Department Jun. 2020      Managing Director, General Manager of General Planning Department Mar. 2021      Director Jun. 2021      Director, Audit and Supervisory Committee Member Oct. 2021      Full-Time Auditor (present position) Oct. 2021      Director, Audit and Supervisory Committee Member, the Company (Full-time) (present position)</p> <p>■ Significant concurrent positions outside the Company Full-time Auditor, The Hokkoku Bank, Ltd.</p>	7,228
<p>■ Reason for nomination as candidate for Director Mr. Nobuhiro Torigoe has been mainly involved in the fields of corporate planning, financial strategy, human resource development and IT strategy since joining The Hokkoku Bank, Ltd., a Group company. He has a wealth of business experience and extensive knowledge in corporate management. He was appointed as Director and Audit and Supervisory Committee Member of the Company in October 2021. He was reelected as a candidate for Director because the Company judges that he will be able to execute auditing of legality of management for the Company accurately, fairly and efficiently. The Company expects that he will further strengthen the effectiveness of decision-making and auditing function of the Board of Directors.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Taku Oizumi (October 24, 1956) (Male) For reelection Outside</p>	<p>Apr. 1980      Joined Bank of Japan Jul. 2006      General Manager of Payment and Settlement                          Systems Apr. 2008      Director-General of Currency Issue Department Jul. 2010      Deputy Director-General of Seven Bank, Ltd. Jun. 2012      Director, Executive Officer Oct. 2013      Director, Managing Executive Officer, General                          Manager of Overseas Business Division Apr. 2014      Director, Senior Executive Officer Oct. 2016      Director, Managing Executive Officer, General                          Manager of International Business Division Jul. 2018      Director, Managing Executive Officer, In                          charge of Asia Strategic Project Jun. 2019      Advisor Jun. 2021      Director, Audit and Supervisory Committee                          Member, The Hokkoku Bank, Ltd. (Outside) Oct. 2021      Director, Audit and Supervisory Committee                          Member, the Company (Outside) (present                          position) ■ Significant concurrent positions outside the Company None</p>	0
<p>■ Reasons for nomination as candidate for outside Director and expected role Mr. Taku Oizumi has abundant financial business experience including his position as General Manager of Payment and Settlement Systems at the Bank of Japan and possesses a wealth of specialized knowledge cultivated through his activities in corporate management that include his work experience as well as his position as Managing Executive Officer of Seven Bank, Ltd. He was reelected as a candidate for outside Director because the Company expects that he will provide supervision and advice on execution of business by the Company from his professional perspective, especially in the fields of corporate planning, management strategy, governance and risk management, financial and capital strategy, marketing and overseas business based on his knowledge.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
3	<p style="text-align: center;">Naoko Nemoto (January 15, 1960) (Female) For reelection Outside</p>	<p>Apr. 1983      Joined Bank of Japan Sept. 1994      Associate Director, Standard &amp; Poor's Global Ratings Japan Inc. Apr. 2015      Managing Director &amp; Research Fellow Apr. 2016      Economist of Asian Development Bank Institute Jun. 2016      Director, the Bank of Yokohama, Ltd. (Outside) Jun. 2016      Director, Chubu Electric Power Company, Incorporated (External) Jun. 2018      Director, Concordia Financial Group, Ltd. (Outside) Apr. 2019      Professor of Graduate School of Business and Finance, WASEDA Business School (present position) Jun. 2020      Director, Audit &amp; Supervisory Committee Member, Mizuho Bank, Ltd. (Outside) (present position) Jun. 2021      Director, Audit and Supervisory Committee Member, The Hokkoku Bank, Ltd. (Outside) Oct. 2021      Director, Audit and Supervisory Committee Member, the Company (Outside) (present position)</p> <p>■ Significant concurrent positions outside the Company Professor of Graduate School of Business and Finance, WASEDA Business School Director, Audit &amp; Supervisory Committee Member, Mizuho Bank, Ltd. (Outside)</p>	0
<p>■ Reasons for nomination as candidate for outside Director and expected role Ms. Naoko Nemoto possesses a wealth of specialized knowledge cultivated through her activities as a financial expert, such as being involved in rating and research work related to financial institutions at Standard &amp; Poor's Ratings Japan Inc. for many years. She was reelected as a candidate for outside Director because the Company expects that she will provide supervision and advice on execution of business by the Company from her professional perspective, especially in the fields of financial and capital strategy, ESG and sustainability, overseas business and market operations based on her knowledge. She has never in the past been involved in the corporate management other than becoming an outside Director, however, the Company judges that she will be able to appropriately execute her duties as an outside Director for the above reasons.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
4	<p style="text-align: center;">Sakon Uda (May 22, 1955) (Male) New candidate Outside</p>	<p>Apr. 1981      Joined Nippon Kokan Ltd. (now JFE Holdings, Inc.)</p> <p>Jul. 1989      Joined McKinsey &amp; Company Inc.</p> <p>Dec. 1995      Principal (Partner)</p> <p>Feb. 2006      Executive Officer, Japan Post Holdings Co., Ltd.</p> <p>Oct. 2007      Senior Managing Executive Officer</p> <p>May 2010      Graduate School Professor, Business Breakthrough University</p> <p>Jul. 2010      Executive Officer, Chief Operating Officer (COO), The Tokyo Star Bank, Limited</p> <p>Jun. 2011      Director, Ebara Corporation (Outside)</p> <p>Jun. 2014      Director, Business Breakthrough Inc. (present position)</p> <p>Apr. 2016      Vice President, Business Breakthrough University</p> <p>Nov. 2017      Member, Tokyo Metropolitan Government Urban Planning Council (present position)</p> <p>Mar. 2019      Independent Director, Chairman of the Board of Directors, Ebara Corporation</p> <p>Jun. 2021      Director, CC Innovation, Ltd (Outside)</p> <p>Jun. 2022      Director, Audit and Supervisory Committee Member, Dream Incubator Inc. (Outside) (present position)</p> <p>Jun. 2022      Director, Vice President, Strategy Advisors Corp. (present position)</p> <p>Dec. 2022      Director, Pacific Consultants, Co., Ltd. (Outside) (present position)</p> <p>■ Significant concurrent positions outside the Company</p> <p>Director, Business Breakthrough Inc.</p> <p>Director, Audit and Supervisory Committee Member, Dream Incubator Inc. (Outside)</p> <p>Director, Ichigo Inc. (Independent) (expected to take up position in May)</p>	0
<p>■ Reasons for nomination as candidate for outside Director and expected role</p> <p>Mr. Sakon Uda has consulting firm experience at McKinsey &amp; Company and abundant management experience including his positions at Japan Post Holdings Co., Ltd. and Business Breakthrough Inc. In addition, he possesses a wealth of specialized knowledge cultivated through his activities in corporate management that include his work experience as Chairman of the Board of Directors and Outside Director at Ebara Corporation. He was selected as a candidate for outside Director because the Company expects that he will provide supervision and advice on execution of business by the Company from his professional perspective, especially in the fields of corporate planning, management strategy, governance and risk management, marketing, consulting and human resource strategy based on his knowledge.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
5	<p>Fumihiko Haga February 4, 1963 (Male) New candidate Outside</p>	<p>Apr. 1985      Joined IBM Japan Corporation Jan. 2015      Trustee, Industry Division and Senior Executive Manager of Finance 5th Division Jun. 2016      Executive Officer, Industry Division and Senior Executive Manager of Finance 5th Division Sept. 2018      Executive Officer, GTS Division and Chief Executive of Finance 2nd Marketing Division Jan. 2020      Executive Officer, GTS Division and Director, Finance 2nd Division Sept. 2021      Executive Operating Officer, Finance Division Director, Kyndryl Japan LLC Feb. 2022      Executive Operating Officer, Finance Division Director, Kyndryl Japan Inc. Aug. 2022      Executive Operating Officer, Finance Division Director, In charge of Promotion of Business Transformation Jan. 2023      Senior Executive (present position) ■ Significant concurrent positions outside the Company Senior Executive, Kyndryl Japan Inc.</p>	0
<p>■ Reasons for nomination as candidate for outside Director and expected role Mr. Fumihiko Haga possesses a wealth of specialized knowledge cultivated through his activities in corporate management that include his work experience as Executive Officer at IBM Japan Corporation and subsequently as Executive Operating Officer and Finance Division Director at Kyndryl Japan Inc. He was selected as a candidate for outside Director because the Company expects that he will provide supervision and advice on execution of business by the Company from his professional perspective, especially in the fields of corporate planning, management strategy, governance and risk management and digital IT strategy based on his knowledge.</p>			

No.	Name (Date of Birth)	Career summary, positions and responsibilities at the Company	Number of the Company's shares owned
6	Kimie Harada (August 21, 1968) (Female) New candidate Outside	<p>Apr. 1997 Full-Time Researcher, Japan Securities Research Institute</p> <p>Apr. 2001 Full-Time Lecturer, Faculty of Economics, Daito Bunka University</p> <p>Apr. 2004 Assistant Professor, Graduate School of International Accounting, Chuo University Professional Graduate Schools</p> <p>Apr. 2007 Assistant Professor, Graduate School of International Accounting, Chuo University</p> <p>Jan. 2011 Member, Fiscal Investment and Loan Subcommittee, Fiscal System Council, Ministry of Finance</p> <p>Apr. 2011 Assistant Professor, Faculty of Commerce, Chuo University</p> <p>Apr. 2012 Professor, Faculty of Commerce, Chuo University (present position)</p> <p>Jan. 2013 Member, Financial System Council, Financial Services Agency</p> <p>Mar. 2017 Member, Council on Customs, Tariff, Foreign Exchange and Other Transactions, Ministry of Finance (present position)</p> <p>Oct. 2020 Member, Working Group on Financial Markets, Financial Services Agency</p> <p>Jun. 2022 Director, Mitsubishi UFJ Kokusai Asset Management Co., Ltd. (Outside) (present position)</p> <p>■ Significant concurrent positions outside the Company Professor, Faculty of Commerce, Chuo University Director, Mitsubishi UFJ Kokusai Asset Management Co., Ltd. (Outside)</p>	0
<p>■ Reasons for nomination as candidate for outside Director and expected role</p> <p>Ms. Kimie Harada possesses a wealth of specialized knowledge in the fields of financial policy, securities and the stock market due to her activities as a professor at the Chuo University Faculty of Commerce and a member of various committees of the Ministry of Finance and Financial Services Agency She was selected as a candidate for outside Director because the Company expects that she will provide supervision and advice on execution of business by the Company from her professional perspective, especially in the fields of financial and capital strategy, ESG and sustainability and market operations based on her knowledge. She has never in the past been involved in the corporate management other than becoming an outside Director, however, the Company judges that she will be able to appropriately execute her duties as an outside Director for the above reasons.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
  - Mr. Taku Oizumi, Ms. Naoko Nemoto, Mr. Sakon Uda, Mr. Fumihiko Haga and Ms. Kimie Harada are candidates for outside Director.
  - Regarding limited liability agreements with candidates for Audit and Supervisory Committee Members  
If Mr. Sakon Uda, Mr. Fumihiko Haga and Ms. Kimie Harada, candidates for outside Audit and Supervisory Committee Members assume the office of Director who is Audit and Supervisory Committee Member, the Company plans to enter into limited liability agreements with each of them pursuant to the provisions of Article 427, paragraph (1) of the Companies Act. The details of the agreement are as follows:
    - The maximum amount of liability for damages under this agreement equals to the total amount stipulated in each provisions of Article 425, paragraph (1) of the Companies Act.
    - The limited liability recognized above is restricted to when the execution of the duties entrusted to a Director who is Audit and Supervisory Committee Member is conducted with good faith and without gross negligence.
Please note that if the reelection of Mr. Nobuhiro Torigoe, candidate for Audit and Supervisory Committee Member, and Mr. Taku Oizumi and Ms. Naoko Nemoto, candidates for outside Audit and Supervisory Committee Members, are approved, the Company plans to renew the aforementioned agreements with them.
  - At the conclusion of this Ordinary General Meeting of Shareholders, the tenure of Mr. Taku Oizumi and Ms. Naoko Nemoto as outside Directors or Directors who are Audit and Supervisory Committee Members will have been one (1) year and eight (8) months.

5. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Mr. Taku Oizumi and Ms. Naoko Nemoto have been appointed as independent officers.  
The Company plans to register Mr. Sakon Uda, Mr. Fumihiko Haga and Ms. Kimie Harada as independent officers.
6. In November 2021, during Ms. Naoko Nemoto's tenure, Mizuho Bank, Ltd., where Ms. Naoko Nemoto serves as an Outside Director and Audit and Supervisory Committee Member, received a business improvement order from the Financial Services Agency, based on the provisions of the Banking Act, regarding a series of system errors that occurred on and after February 28, 2021, and an order for corrective measures from the Ministry of Finance, based on the provisions of the Foreign Exchange and Foreign Trade Act, regarding the performance of confirmation obligations for banks, etc. Ms. Naoko Nemoto had previously given recommendations to the Board of Directors, etc., from the viewpoint of governance, risk management, and observance of laws and regulations, etc., and after the occurrence of the facts above, she also appropriately fulfilled her duties, such as by making recommendations regarding prevention of reoccurrence and further strengthening of internal controls to reinforce supervisory functions.
7. Mr. Sakon Uda served as outside Director of the Company's subsidiary CC Innovation, Ltd from June 2021 to February 2023.
8. Ms. Kimie Harada's name has been written as above because she is well known by that name. However, the name on her family register is "Kimie Hara."
9. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. Legal compensation for damages and litigation costs to be born by an insured are covered by the insurance agreement. Each of the candidates for Directors is included as an insured in the insurance agreement, and the Company intends to renew the agreement during their terms of office.



**Proposal 4:** Election of Accounting Auditor

The term of office of Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, will expire at the conclusion of this Ordinary General Meeting of Shareholders, and Ernst & Young ShinNihon LLC will be removed from its position.

Therefore, the Company would like approval of the election of Kanade Partnership as the new Accounting Auditor. This proposal is raised based on a decision of the Audit and Supervisory Committee.

As the current Accounting Auditor has carried out audits for many years and audits from a new perspective are necessary, the Audit and Supervisory Committee has been comparing and examining other audit corporations.

Kanade Partnership was selected as a candidate for Accounting Auditor because the Company expects auditing from a new perspective appropriate for the Company's scope of business. In addition, Kanade Partnership was determined suitable for Accounting Auditor as a result of comprehensive consideration of the expertise, independence and quality-control structure necessary for an Accounting Auditor and standards of audit remuneration.

The details of the candidate for Accounting Auditor are as follows.

(As of May 1, 2023)

Name	Kanade Partnership	
Office	Main Office: Toyo Building, 1-2-10 Nihonbashi, Chuo-ku, Tokyo	
History	Founded Oct. 1, 2020	
Overview	Capital	¥69 million
	Employees	Partners (certified public accountants): 12 Specified partners: 1 Certified public accountants: 32 Persons who have passed the certified public accountant examination, etc.: 22 Total: 67
	Companies audited	26

Reference: Policy on Cross-Shareholdings

The Company's policy is, as a rule, not to hold any cross-shareholdings of listed shares, and we will continue to have discussions with all holders of cross-shareholdings of listed shares, based on the environment surrounding customers and their capital policy, to gain customers' understanding of the Group policy. In addition, sales will be conducted upon consideration of the effect on the market.

The Company's aim is to reduce cross-shareholdings of listed shares by half (a reduction in acquisition cost of ¥6.9 billion compared with the end of March 2022) by the end of March 2025. In fiscal 2022, the Company reduced its balance by ¥2.4 billion (a 35% progress rate).

Reference: Specialization and Experience Required for Directors (Skill Matrix)

(expected at conclusion of the Ordinary General Meeting of Shareholders)

Name of Director		Specialization and experience									
		Corporate planning/ Management strategy	Governance and risk management	Financial and capital strategy	ESG and sustainability	Marketing	Consulting	Overseas business	Market operations	Human resource strategy	Digital IT strategy
Directors who are not Audit and Supervisory Committee Members	Shuji Tsuemura	◎	●	◎	◎		●	◎	◎		◎
	Koichi Nakada	●	◎							◎	●
	Yuji Kakuchi		●			●	●	◎	◎		
Directors who are Audit and Supervisory Committee Members	Nobuhiro Torigoe	●		●	●					●	●
	Taku Oizumi	●	●	●		●		●			
	Naoko Nemoto			●	●			●	●		
	Sakon Uda	●	●			●	●			●	
	Fumihiko Haga	●	●								●
	Kimie Harada			●	●				●		

\* Fields that the Company highly expects candidates for Directors who are not Audit and Supervisory Committee Members to contribute to are marked with “◎.”

\* The above list does not represent all the knowledge and experience of each Director.

## Reference: Independence Criteria for Outside Directors

The Company judges that a person to whom none of the following conditions applies satisfies the independence criteria for Outside Director.

In the event that none of the following conditions apply to an Outside Director (including a candidate), the Company judges that the Outside Director is an Independent Outside Director.

1. A party who was a business executive at the Company or its subsidiaries, etc., in the past 10 years (\*)
2. A party who has or is a business executive at a company that has the Company or its subsidiaries, etc., as a major client  
A major client or party who is a business executive at a company that is a major client of the Company or its subsidiaries, etc.
3. An attorney at law, certified public accountant, tax accountant or other consultant who receives monetary or other property benefits of ¥10 million or more annually from the Company or its subsidiaries, etc., separately from officers' remuneration
4. A party who is involved in organizations that have received donations or subsidies of ¥10 million or more from the Company or its subsidiaries, etc.
5. A major shareholder holding 10% or more of the Company's shares; or if said major shareholder is a corporation, business executive of said major shareholder, its parent company, or its significant subsidiary
6. A business executive of a company at which a business executive of the Company or its subsidiary, etc., is an officer
7. A certified public accountant who belongs to an audit corporation that is an accounting auditor of the Company or its subsidiaries, etc.
8. A party for whom any of the items 2 through 7 applies to in the past 3 years
9. Spouse or second-degree-or-closer relative of a party that any of the preceding items applies to
10. Notwithstanding the provisions of the preceding items, a party who is deemed to have other specific reasons that may cause a permanent and substantial conflict of interest with general shareholders

\* Business executives includes executive directors, executive officers, and significant employees.