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Securities Code: 8566

Date of delivery: June 9, 2023

To our shareholders:

Date of commencement of electronic provision measures: June 2, 2023

Tokuharu Nakamura
Representative Director & President and
Executive Officer
RICOH LEASING COMPANY, LTD.
4-1, Kioi-cho, Chiyoda-ku, Tokyo

NOTICE OF THE 47th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby announce the 47th Ordinary General Meeting of Shareholders of RICOH LEASING COMPANY, LTD. (the “Company”), which will be held as described below.

In convening the General Meeting of Shareholders, measures are taken to provide information that constitutes the content of reference documents, etc. for the general meeting of shareholders in electronic format (matters subject to the electronic provision measures). Please visit the Company’s website below for the information.



The Company’s website

<https://www.r-lease.co.jp/ir/stock/shmeeting.html>



The matters subject to the electronic provision measures is posted on the website of Tokyo Stock Exchange Inc. (TSE) below, in addition to the Company’s website.



TSE website (Listed Company Search)

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

(Please visit the TSE website above, enter/search “リコーリース(in Japanese)” under “Issue name (company name)” or its securities code “8566” under “Code,” and choose “Basic information,” “Documents for public inspection / PR information” and “Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting.”)



If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail (in writing) or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m. on Friday, June 23, 2023 (Japan Standard Time). Institutional investors are permitted to exercise their voting rights by electromagnetic means through the platform for the electronic exercise of voting rights operated by ICJ, Inc.

Date and Time: Monday, June 26, 2023 at 10:00 a.m. (Japan Standard Time) (Reception desk opens at 9:00 a.m.)
Venue: Orizuru Rei, The Main Bldg. Arcade Floor, Hotel New Otani Tokyo,
4-1, Kioi-cho, Chiyoda-ku, Tokyo

Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 47th term (from April 1, 2022 to March 31, 2023), as well as results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
2. Non-Consolidated Financial Statements for the 47th term (from April 1, 2022 to March 31, 2023)

Items to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Partial Amendments to the Articles of Incorporation

Proposal 3: Election of Ten (10) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

Proposal 4: Election of One (1) Substitute Director who is an Audit & Supervisory Committee Member

Proposal 5: Determination of Amount and Details of Share Compensation, Etc. for Directors

Items decided for the convocation of meeting:

- * If you do not indicate your support for or against each proposal in writing, you are deemed to support for the proposal.
- * In the event that you vote twice, by postal mail (in writing) and via the Internet, we will consider only the vote via the Internet to be valid.
- * If you vote via the Internet multiple times, we will consider the final vote to be valid.
- Of the matters subject to the electronic provision measures, the Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements are published on the Company's website shown above and the website of the Tokyo Stock Exchange, Inc. (TSE Listed Company Search service), according to the laws and regulations and to Article 16, Paragraph 2 of the Articles of Incorporation of the Company, and therefore are not printed in this Notice. Therefore, the Consolidated Financial Statements and the Non-Consolidated Financial Statements included in this document are parts of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited in the drafting of the accounting audit report and the audit report by the Accounting Auditor and the Audit & Supervisory Committee.
- Should the matters subject to the electronic provision measures require revisions, the notification of the revisions and the original and revised versions will be posted on the Company's website shown above and the website of the Tokyo Stock Exchange, Inc. (TSE Listed Company Search service).

Proposal 1: Appropriation of Surplus

The Company's basic policy is to provide stable shareholder returns over the medium to long term, and to steadily boost shareholder return while working to achieve sustainable growth, appropriate capital structure and a strengthened financial position.

Regarding return to shareholders, we aim to achieve a dividend payout ratio of 35% in the final year (ending March 31, 2026) of our mid-term management plan launched this fiscal year.

The fund established last year as "reserves for an abundant future" stood at 40,221,000 yen this fiscal year and the Company will continue to support activities to solve social issues such as environmental protection, social and economic development, development of future generations of people, the growth of culture and support for recovery following disaster, thereby contributing to the creation of an abundant future while aiming to achieve its corporate philosophy and medium- to long-term vision of becoming a "Circulation-Creating Company."

Based on this policy, the Company proposes year-end dividends for the 47th term and other appropriation of surplus as described below.

1. Matters related to year-end dividends

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to the shareholders and total amount of dividends
¥80 per common share of the Company (total amount of dividends: ¥2,465,979,360)
As a result, annual dividends, including the interim dividends, have increased by ¥25 over the previous fiscal year to ¥145.
- (3) Effective date of distribution of dividends of surplus
June 27, 2023

2. Matters related to other appropriation of surplus

- (1) Item related to appropriation of surplus and amount of increase thereof
General reserve: ¥8,000,000,000
Reserves for an abundant future: ¥40,221,000
- (2) Item of surplus to be decreased and amount of decrease thereof
Retained earnings brought forward: ¥8,040,221,000

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments of the Articles of Incorporation

As a result of the increase in the number of Group companies, the Company proposes amending the Articles of Incorporation as follows in order to clarify as parent company the business purpose of subsidiaries defined in the Articles of Incorporation and to review the current business and prepare for future business expansion.

2. Details of amendments

Details of the amendments are as follows.

(The changes are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses.	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses <u>and to control and manage the business activities of companies engaging in the following businesses by holding shares or equity in them.</u>
1. ~ 12. (Omitted)	1. ~ 12. (Unchanged)
(New)	13. <u>Consigned freight forwarding business</u>
(New)	14. <u>Nursing care-related business</u>
(New)	15. <u>Temporary staffing and employment placement business</u>
(New)	16. <u>Education-related and childcare business</u>
13. Any and all businesses incidental to or connected with each of the foregoing items	17. Any and all businesses incidental to or connected with each of the foregoing items

Reference Entry to nursing care service provision

In an initiative to address the issue of Japan’s falling birthrate and aging population, the Company acquired all the shares of NSSK-LL Co., Ltd. (currently SA-LL Co., Ltd.) on December 23, 2022, making Welfare Suzuran Co., Ltd., which is a nursing care service provider, into a wholly owned subsidiary through NSSK-LL Co., Ltd. and NSSK-L Co., Ltd. (currently SA-L Co., Ltd.), which is a subsidiary of NSSK-LL Co., Ltd.

The Company has been providing services, such as leasing and collection agency services and medical and nursing care fee factoring services, to customers in the medical and nursing care sectors for many years. In the short term, the Company will pursue greater convenience for users and care workers at facilities operated by Welfare Suzuran Co., Ltd. through the services of its partner companies and will open new sites in cooperation with real estate related business, aiming to expand high quality nursing care services. In the medium and long term, the Company aims to combine its own understanding of the businesses surrounding medical and nursing care with the nursing care service provision of Welfare Suzuran Co., Ltd. to develop sustainable services which reduce the burden on both nursing care service users and care providers.

Proposal 3: Election of Ten (10) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all ten (10) Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes the election of ten (10) Directors.

The nomination of candidates for Director has been deliberated by the Nominating and Compensation Committee consisting entirely of Independent Outside Directors.

Moreover, the Audit & Supervisory Committee confirmed the deliberation by the Nominating and Compensation Committee regarding the nomination of candidates for Director and judged it appropriate and that each candidate is suitable as Director.

The candidates for Director are as follows:

No.	Name	Age		Attendance at the Board of Directors meetings	Concurrent positions at listed companies	Term of office	Representative Director	Nominating and Compensation Committee Member	Gender
1	Tokuharu Nakamura	57	[Reelection]	100%	–	4 years	●		Male
2	Hirozumi Sano	60	[Reelection]	100%	–	4 years			Male
3	Shinichi Kuroki	61	[Reelection]	100%	–	2 years			Male
4	Masaya Futamiya	71	[Reelection] [Outside] [Independent]	100%	1 company	5 years		●	Male
5	Masako Arakawa	52	[Reelection] [Outside] [Independent]	100%	1 company	4 years		●	Female
6	Mari Ebisui	62	[Reelection] [Outside] [Independent]	100%	1 company	3 years		●	Female
7	Atsumi Harasawa	55	[Reelection] [Outside] [Independent]	100%	2 companies	3 years		●	Female
8	Takashi Ichinose	66	[Reelection] [Outside] [Independent]	100%	–	1 year		●	Male
9	Nobuhisa Zama	59	[Reelection] [Outside]	100%	1 company	1 year			Male
10	Takahiro Irisa	57	[New election] [Outside]	–	1 company	–			Male

Note 1: The ages of the candidates are as of the conclusion of this Ordinary General Meeting of Shareholders.

Note 2: The “●” denotes planned appointment.

1 Tokuharu Nakamura

[Reelection]

Date of birth	August 3, 1965
Number of the Company's shares owned (of which, the number of shares to be delivered under the share compensation system)	9,472 (8,952)
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	4 years

To our shareholders

In April 2023, the Ricoh Leasing Group launched its 21st Mid-term Management Plan (hereinafter the "Mid-term Management Plan"). The period of the previous mid-term management plan was marked by the COVID-19 pandemic, but we were nonetheless able to achieve solid profit growth in accordance with our corporate philosophy. In the 21st Mid-Term Management Plan, we intend to continue our growth path to serve as a bridge to an abundant future with our unique finance and services. We were also able to make donations to several organizations from the abundant future reserves endorsed by our shareholders. We intend to continue to share our thoughts on the future with our shareholders and contribute to the development of our business.

Reasons for nomination as candidate for Director and expected roles

Tokuharu Nakamura has extensive experience in sales, business and management within the Group and has experience as the Company's Representative Director & President and Executive Officer. The Company expects that he will continue to contribute to strengthening the supervisory functions of the Board of Directors, achieving the sustainable growth of the Company, and increasing its corporate value by leveraging his extensive experience and insight into corporate management. For this reason, the Company proposes that he be elected as a Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / Corporate management / sales and marketing / finance and investment / human resources

Career summary, position and responsibilities in the Company

Jan. 1994	Joined the Company
Nov. 2004	General Manager of Corporate Planning Office
Dec. 2005	Director, TECHNO RENT CO., LTD. Executive Officer, TECHNO RENT CO., LTD.
Apr. 2008	Deputy General Manager of Corporate Strategy Office of the Company
Apr. 2009	Corporate Associate Vice President & Deputy General Manager of Corporate Planning Division
Oct. 2011	General Manager of Business Management Department, Operation Division
Apr. 2013	Executive Officer
Apr. 2014	Manager of Kansai Branch Office, Sales Division
Apr. 2017	General Manager of Corporate Strategy Division
Apr. 2018	Managing Executive Officer
Apr. 2019	General Manager of Business Management Division
Jun. 2019	Director
Apr. 2020	Representative Director (present) President and Executive Officer (present)
Jun. 2021	Chairperson of the Board of Directors (present)

[Significant concurrent positions outside the Company]

None.

2 Hirozumi Sano

[Reelection]

Date of birth	May 14, 1963
Number of the Company's shares owned (of which, the number of shares to be delivered under the share compensation system)	5,363 (4,433)
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	4 years

To our shareholders

In the fiscal year under review, a new Mid-term Management Plan has begun. We have been refining our unique finance and services that lead to “Beyond Leasing” and have contributed to solving various issues facing society through our business as a “Circulation-Creating Company.” From fiscal 2023, we will evolve into a “business company that not only handles finance but other businesses” and realize sustainable corporate value creation that meets the expectations of our stakeholders. We will do this by steadily executing our business growth strategy, which is based on eight business fields, and our strategy featuring three pillars to enhance our organizational strength, in accordance with the Ricoh Leasing Group's corporate philosophy, human rights policy, and code of conduct.

Reasons for nomination as candidate for Director and expected roles

Hirozumi Sano has extensive experience and impressive knowledge accumulated over his career working in the Company, including in important positions in the sales division and as a person responsible for business processes to support business models. Currently, he oversees the entire head office as a Senior Executive Officer. The Company expects that he will continue to contribute to the achievement of sustainable growth and the increase of the corporate value of the Group through business growth strategies leveraging his extensive experience and insight. For this reason, the Company proposes that he be elected as a Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / finance and accounting / sales and marketing / finance and investment / human resources

Career summary, position and responsibilities in the Company

Mar. 1987	Joined the Company
Apr. 2003	General Manager of Corporate Planning Office General Manager of Sales Support Department, Sales Division
Nov. 2004	Deputy General Manager of Kansai Business Division
Oct. 2006	General Manager of Chugoku-Shikoku Sales Department, Branch Business Division
Oct. 2010	Manager of Kansai Branch Office, Sales Division
Apr. 2014	Executive Officer General Manager of Business Management Department, Operation Division
Apr. 2015	Deputy General Manager of Operation Division
Apr. 2016	General Manager of Operation Division
Apr. 2018	Managing Executive Officer General Manager of FFPR Promotion Division General Manager of CS-Hub Planning Division
Apr. 2019	General Manager of Sales Management Division General Manager of Corporate Strategy Division, Sales Management Division General Manager of Area Sales Division, Sales Management Division
Jun. 2019	Director (present)
Apr. 2020	In charge of Sales
Jun. 2021	In charge of head office (present)
Dec. 2022	Representative Director, President of Welfare Suzuran Co., Ltd. (present)
Apr. 2023	Senior Executive Officer (present)

[Significant concurrent positions outside the Company]

Representative Director, President of Welfare Suzuran Co., Ltd.

3 Shinichi Kuroki

[Reelection]

Date of birth	August 22, 1961
Number of the Company's shares owned (of which, the number of shares to be delivered under the share compensation system)	3,892 (3,427)
Attendance at the Board of Directors meetings	14 /14 (100%)
Term of office	2 years

To our shareholders

During the three years of the mid-term management plan up to last year, we were confronted with the COVID-19 pandemic and have been pressed to respond to a severe and drastically changing environment. However, I believe that in this situation the corporate culture of understanding and executing our corporate philosophy has taken root, even as we maintain a focus on profit. As a result, in fiscal 2022, we were able to achieve a reasonable performance, a foundation for the future, and the preparation of new businesses and services. In the new Mid-term Management Plan starting in the current fiscal year, I believe that it is time to maintain this momentum. I will take on the challenge of new business models, diversify our business by adding new businesses and services, and expand our business base with increased efficiency, while utilizing my existing knowledge and experience.

Reasons for nomination as candidate for Director and expected roles

Shinichi Kuroki has extensive experience and impressive knowledge accumulated over his career working in the Company, including in important positions in the financial services division which strives to resolve social issues. He currently oversees the entire sales as Senior Executive Officer and takes a leading role in the formulation of new business strategies for medium- to long-term growth and establishment of corporate value. The Company expects that he will continue to contribute to the increase of the corporate value of the Group through business growth strategies leveraging his extensive experience and insight. For this reason, the Company proposes that he be elected as a Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / sales and marketing / finance and investment / human resources

Career summary, position and responsibilities in the Company

Nov. 2001	Joined the Company
Apr. 2009	General Manager of Finance Department, Financial Services Division
Apr. 2016	Corporate Associate Vice President Deputy General Manager of Financial Services Division
Apr. 2018	Executive Officer General Manager of Social Innovation Division
Apr. 2019	General Manager of Social Innovation Division 1
Oct. 2019	Managing Executive Officer
Apr. 2020	General Manager of Corporate Strategy Division
Jun. 2021	In charge of Sales (present) Director (present)
Apr. 2023	Senior Executive Officer (present) General Manager of Sales Management Division (present)

[Significant concurrent positions outside the Company]

None.

4 Masaya Futamiya

[Reelection] [Outside] [Independent]

Date of birth	February 25, 1952
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	5 years

To our shareholders

Given grave issues such as climate change and the loss of biodiversity, the planet is at risk of exceeding its capacity to sustain life, threatening the survival of humankind. Companies have the potential to stop and reverse this trend, with their earnings strength giving them the ability to take action and overcome problems by sincerely addressing social issues. I am convinced that we can make a significant contribution to the creation of a sustainable circulatory society by recognizing common social values that are required globally and by demonstrating our ability to respect diverse, independent individuals and to take on new challenges without hesitation. I will encourage our executives and employees to realize their aspirations.

Reasons for nomination as candidate for Outside Director and expected roles

Masaya Futamiya has wide-ranging knowledge and impressive insight into corporate management accumulated from his extensive experience as a manager in a major insurance company. Furthermore, as an Outside Director, he appropriately supervises the execution of business by actively providing opinions and suggestions based on his experience and knowledge, and as Chairperson of the Nominating and Compensation Committee, he contributes to fair and transparent investigations and decision-making for nominating Directors of the Company, planning successors, and for remuneration of Directors of the Company. The Company believes that he will continue to contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above achievements, and proposes that he be elected as an Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / corporate management / human resources

Activities on the Board of Directors, etc.

Masaya Futamiya is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on his extensive experience and knowledge gained through the management of a large insurance company. He also serves as the chairperson of the voluntary Nominating and Compensation Committee and plays an important role in assessing the appropriateness of the selection and compensation of Directors and the transparency of the decision-making process.

Career summary, position and responsibilities in the Company

Apr. 1974	Joined The Nippon Fire & Marine Insurance Co., Ltd.
Jun. 2005	Director, Managing Executive Officer, NIPPONKOA Insurance Company, Limited ("NIPPONKOA")
Jun. 2009	Representative Director, Senior Managing Executive Officer, NIPPONKOA
Jun. 2011	Representative Director, President and Chief Executive Officer, NIPPONKOA Director of NKSJ Holdings, Inc. (Note 1)
Apr. 2012	Representative Director, Chairman and Executive Officer, NKSJ Holdings, Inc
Sep. 2014	Representative Director, President and Chief Executive Officer, Sompo Japan Nipponkoa Insurance Inc. (Note 2) Representative Director, Chairman and Executive Officer of Sompo Japan Nipponkoa Holdings, Inc. (Note 1)
Apr. 2015	Representative Director, Chairman, Sompo Japan Nipponkoa Holdings, Inc.
Jun. 2015	Director, Chairman, Sompo Japan Nipponkoa Holdings, Inc.
Apr. 2016	Representative Director, Chairman, Sompo Japan Nipponkoa Insurance Inc. (Note 2)
Apr. 2018	Director and Chairman, Sompo Japan Nipponkoa Insurance Inc.
Jun. 2018	Outside Director of the Company (present)
Jul. 2018	Representative Director, Japan Network for Public Interest Activities (present)
Jun. 2021	Vice Chair of the Board of Councillors, Japan Business Federation (Keidanren)
Apr. 2022	Senior Advisor, SOMPO Holdings, Inc. (present)
Jun. 2023	Outside Director (Audit and Supervisory Committee Member), JX Metals Corporation (scheduled to assume office on June 28, 2023)

(Note 1) Currently SOMPO Holdings, Inc.

(Note 2) Currently Sompo Japan Insurance Inc.

[Significant concurrent positions outside the Company]

Senior Advisor, SOMPO Holdings, Inc.

Representative Director, Japan Network for Public Interest Activities

Outside Director (Audit and Supervisory Committee Member), JX Metals Corporation (scheduled to assume office on June 28, 2023)

5 Masako Arakawa

[Reelection] [Outside] [Independent]

Date of birth	January 1, 1971
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	4 years

To our shareholders

Under the leadership of the diverse members of the Board of Directors, active communication, including the dissemination and sharing of information, is carried out. Outside Directors lively exchange opinions each other, by not only attending meetings of the Board of Directors, Nomination & Compensation Committee, and Audit & Supervisory Committee, but also participating in offsite meeting for formulating medium-term management plans and meetings among Independent Outside Directors, being conscious of “our unique finance and services.” I would like to contribute to the enhancement of corporate value by objectively supporting and supervising management from both sides of risk and opportunity foreseeing what we can do now for the future to be handed down to the next generation.

Reasons for nomination as candidate for Outside Director and expected roles

As a specialist in finance and real estate, Masako Arakawa has extensive experience and achievements in domestic and international investments and finance, business development, etc. and also has extensive insight into corporate governance, etc. through her activities as a Director of Institute of Corporate Governance, Japan. Furthermore, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions based on her experience and knowledge, and as a member of the Nominating and Compensation Committee, she contributes to fair and transparent investigations and decision-making for nominating Directors of the Company, planning successors, and for remuneration of Directors of the Company. The Company believes that she will continue to contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above achievements, and proposes that she be elected as an Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / finance and investment / human resources

Activities on the Board of Directors, etc.

Masako Arakawa is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on her experience and expertise in finance and real estate and as an outside director of other companies. She also serves as a member of the voluntary Nominating and Compensation Committee and plays an important role in assessing the appropriateness of the selection and compensation of Directors and the transparency of the decision-making process.

Career summary, position and responsibilities in the Company

Apr. 1993	Joined Long-term Credit Bank Research Institute, Inc. (currently Value Management Institute, Inc.)
Feb. 2000	Registered as Licensed Real Estate Appraiser
Mar. 2006	Vice President, Commercial Real Estate, Tokyo Branch, Deutsche Bank AG
Jul. 2010	Executive Director, New Business Development Office, CB Richard Ellis K.K. (currently CBRE K.K.)
Oct. 2012	President & CEO, AMC Advisors, Co., Ltd. (present)
Jan. 2013	President & CEO, Machi Asset Management, Inc.
Sep. 2016	Outside Director, WISDOM ACADEMY Inc.
May 2017	Outside Director, GFOOT CO., LTD. (present)
Feb. 2018	Director, Institute of Corporate Governance, Japan (present)
Jun. 2019	Outside Director of the Company (present)

[Significant concurrent positions outside the Company]

President & CEO, AMC Advisors, Co., Ltd.

Outside Director, GFOOT CO., LTD.

6 Mari Ebisui

[Reelection] [Outside] [Independent]

Date of birth	October 8, 1960
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	3 years

To our shareholders

Setting a medium- to long-term vision of becoming a Circulation-Creating Company, the Ricoh Leasing Group aims to create a prosperous future. As a member of the Board of Directors, I am proud of the Company's sincere efforts to enhance its corporate value and at the same time contribute to society through its contribution to the SDGs and human rights. Another feature of the Company is that the value of its intangible assets, namely its human resources, is the source of its competitiveness. The recent trend of applying the objectivity and comparative utility as well as disclosures of financial accounting, which is my area of specialization, to ESG, human resource strategy, and other non-financial information is opening the door to a dialogue on potential corporate value. I would like to contribute to the achievement of our goals by providing information from the perspective of our stakeholders.

Reasons for nomination as candidate for Outside Director and expected roles

Mari Ebisui has cultivated extensive experience and impressive knowledge in accounting based on a global perspective as a Certified Public Accountant in the United States, and also has insight on corporate internal control and business ethics as a Certified Fraud Examiner. Furthermore, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions based on her experience and knowledge, and as a member of the Nominating and Compensation Committee, she contributes to fair and transparent investigations and decision-making for nominating Directors of the Company, planning successors, and for remuneration of Directors of the Company. The Company believes that she will continue to contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above achievements, and proposes that she be elected as an Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / finance and accounting / risk management / human resources

Activities on the Board of Directors, etc.

Mari Ebisui is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on her extensive experience and knowledge as a US certified public accountant and a certified fraud examiner. She also serves as a member of the voluntary Nominating and Compensation Committee and plays an important role in assessing the appropriateness of the selection and compensation of Directors and the transparency of the decision-making process.

Career summary, position and responsibilities in the Company

Apr. 1985	Joined Ajinomoto General Foods, Inc. (currently Ajinomoto AGF, Inc.)
Nov. 1997	Passed an Examination of Certified Public Accountant in the United States (USCPA)
Mar. 1998	Joined KPMG Peat Marwick Tokyo (currently KPMG Tax Corporation)
Jul. 2001	Representative Director, Ebisui Accounting & Consulting LLC (present) Licensed as a USCPA in Illinois State
Nov. 2006	Licensed as a USCPA in Washington State
Apr. 2008	Certified as a Certified Fraud Examiner (CFE)
Jun. 2016	Director of the board, Japan Society of U.S. CPAs
Jun. 2020	Outside Director of the Company (present)
Apr. 2021	Advisory Board Member, Japan Corporate Governance Research Institute (present)
May 2022	Outside Audit & Supervisory Board Member, AEON DELIGHT CO., LTD. (present)
Sep. 2022	Audit & Supervisory Board Member, The Japan Academy of Family Business (present)

[Significant concurrent positions outside the Company]

Representative Director, Ebisui Accounting & Consulting LLC
Outside Audit & Supervisory Board Member, AEON DELIGHT CO., LTD.

7 Atsumi Harasawa

[Reelection] [Outside] [Independent]

Date of birth	August 28, 1967
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	14/14 (100%)
Term of office	3 years

To our shareholders

Setting a vision of becoming a Circulation-Creating Company in the Mid-term Management Plan starting in fiscal 2023, we will seek ways to contribute to society through our business activities in order to realize a sustainable society and a prosperous future. As an Outside Director, I believe that my role as a legal expert is to check whether the Code of Conduct is properly observed in the process of the Company's management and execution of these businesses, as well as to fully enforce and strengthen compliance. And I will make efforts to contribute to the enhancement of the corporate value of the Ricoh Leasing Group through this role.

Reasons for nomination as candidate for Outside Director and expected roles

Atsumi Harasawa has professional experience and knowledge accumulated as a lawyer, and experience and insight as an outside officer of listed companies. Furthermore, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions based on her experience and knowledge, and as a member of the Nominating and Compensation Committee, she contributes to fair and transparent investigations and decision-making for nominating Directors of the Company, planning successors, and for remuneration of Directors of the Company. The Company believes that she will continue to contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above achievements, and proposes that she be elected as an Outside Director. She has no experience in working directly in corporate management other than as an outside officer, but for the reasons given above, the Company believes that she would be able to appropriately fulfill her responsibilities as an Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / law / risk management / human resources

Activities on the Board of Directors, etc.

Atsumi Harasawa is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on her expertise as a lawyer and experience as an outside officer of other companies. She also serves as a member of the voluntary Nominating and Compensation Committee and plays an important role in assessing the appropriateness of the selection and compensation of Directors and the transparency of the decision-making process.

Career summary, position and responsibilities in the Company

Apr. 1992	Joined Japan Airlines Co., Ltd.
Dec. 2009	Registered at Tokyo Bar Association Joined Sonderhoff & Einsel Law and Patent Office
Jun. 2014	Joined Digital Arts Inc.
Apr. 2015	Joined Yamasaki & Partners
Nov. 2016	Partner, Igarashi - Watanabe - Esaka Law Office (present)
Aug. 2017	Bids Supervising Committee Member, Tokyo Metropolitan Government (present)
Apr. 2018	Outside Audit & Supervisory Board Member, Lawson Bank Preparatory Company, Inc. (currently Lawson Bank, Inc.) (present)
Jun. 2019	Outside Audit & Supervisory Board Member, Kawasaki Kisen Kaisha, Ltd. (present)
Jun. 2020	Outside Director of the Company (present) Director, Japan Triathlon Union (scheduled to retire on June 30, 2023)
Sep. 2020	Outside Audit & Supervisory Board Member, GiXo Ltd. (present)
Jun. 2023	Director, Japan Aeronautical Engineers' Association (Scheduled to assume office on June 8, 2023)

[Significant concurrent positions outside the Company]

Partner, Igarashi - Watanabe - Esaka Law Office
Outside Audit & Supervisory Board Member, Kawasaki Kisen Kaisha, Ltd.
Outside Audit & Supervisory Board Member, GiXo Ltd.

8 Takashi Ichinose

[Reelection] [Outside] [Independent]

Date of birth	February 23, 1957
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	12/12 (100%)
Term of office	1 year

To our shareholders

Aiming to realize its medium- to long-term vision of becoming a Circulation-Creating Company, the Company is boldly taking on the challenge of achieving medium-term growth through aggressive investment in human resources, etc. while maintaining a balance between the financial business and new businesses.

On the other hand, the recent changes in the environment surrounding us, including the rapid development of AI technology, are astonishing. I will supervise management as an Independent Outside Director and, at the same time, support the execution of business operations for the Company to steadily realize new growth through the provision of advice and other means, utilizing the knowledge, experience and technical expertise I have cultivated through corporate management in the electronics industry.

Reasons for nomination as candidate for Outside Director and expected roles

Takashi Ichinose has wide-ranging knowledge and deep insight into corporate management based on his extensive experience as an operator of a company affiliated with a large electrical machinery manufacturer. Furthermore, as an Outside Director, he appropriately supervises the execution of business by actively providing opinions and suggestions based on his experience and knowledge, and as a member of the Nominating and Compensation Committee, he contributes to fair and transparent investigations and decision-making for nominating Directors of the Company, planning successors, and for remuneration of Directors of the Company. The Company believes that he will continue to contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above achievements, and proposes that he be elected as Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / corporate management / IT and technology / human resources

Activities on the Board of Directors, etc.

Takashi Ichinose is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on his extensive experience and high level of insight gained through the management of an affiliated company of a large electronic manufacturer, etc. He also serves as a member of the voluntary Nominating and Compensation Committee and plays an important role in assessing the appropriateness of the selection and compensation of Directors and the transparency of the decision-making process.

Career summary, position and responsibilities in the Company

Apr. 1981	Joined Sony Corporation (present Sony Group Corporation)
Apr. 2006	Managing Director, Sony Chemicals Corporation (currently Dexerials Corporation)
Jan. 2008	Director, Executive Vice President, Sony Chemical & Information Device Corporation (currently Dexerials Corporation)
Aug. 2008	Representative Director and President, Sony Chemical & Information Device Corporation
Sep. 2012	Representative Director and President, Dexerials Corporation
Oct. 2021	Chairman, CEO, Lincstech Co., Ltd. (present)
Jun. 2022	Outside Director of the Company (present)

[Significant concurrent positions outside the Company]

Representative Director and Chairman, Lincstech Co., Ltd.

9 Nobuhisa Zama

[Reelection] [Outside]

Date of birth	April 1, 1964
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	12/12 (100%)
Term of office	1 year

To our shareholders

The Company not only continues to achieve solid and steady growth through the uniqueness of Ricoh Leasing, but is also taking on the challenge of making various efforts to become a Circulation-Creating Company at the same time. In the midst of major changes in the social environment, proactive efforts to solve a range of issues with an eye to the future will enhance the corporate value. I will contribute to the enhancement of corporate value and the realization of sustainable growth through the promotion of sound risk-taking by enhancing the transparency of our governance and actively supporting our challenges, while also utilizing my diverse business experience and knowledge at global financial institutions.

Reasons for nomination as candidate for Outside Director and expected roles

Nobuhisa Zama has wide-ranging knowledge and impressive insight related to the finance industry based on his extensive experience and impressive track record in corporate management as a member of senior management at a major banking group. The Company expects that he will continue to contribute to enhancing the supervisory functions of the Board of Directors and the realization of fair and highly transparent management by providing valuable opinions and guidance regarding the Company's management based on the above. For this reason, the Company proposes that he be elected as an Outside Director.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / finance and investment / risk management

Activities on the Board of Directors, etc.

Nobuhisa Zama is fully fulfilling the roles and responsibilities expected of an Outside Director, including the supervision of management and the provision of beneficial opinions and advice for overall corporate management based on his extensive experience through the management of a large bank group and wide-ranging knowledge and impressive insight related to the finance industry.

Career summary, position and responsibilities in the Company

Apr. 1987	Joined The Fuji Bank Limited (present Mizuho Bank, Ltd.)
Apr. 2015	Executive Officer of Mizuho Bank, Ltd.
Apr. 2017	Managing Executive Officer of Mizuho Bank, Ltd.
Apr. 2018	Managing Executive Officer of Mizuho Bank, Ltd. Managing Executive Officer of Mizuho Trust & Banking Co., Ltd.
Apr. 2019	Managing Executive Officer, Mizuho Bank, Ltd. (Area of responsibility: Specially Assigned Matters / Credit of Retail & Business Banking Division / Credit of Corporate & Institutional Division / Credit of Global Corporate Division) Managing Executive Officer, Mizuho Trust & Banking Co., Ltd. (Area of responsibility: Specially Assigned Matters / Credit of Retail & Business Banking Division / Credit of Corporate & Institutional Division)
Apr. 2020	Joined Mizuho Leasing Co., Ltd. as Managing Executive Officer (Area of responsibility: Credit Risk Management Department)
Apr. 2021	CCO/Managing Executive Officer of Mizuho Leasing Co., Ltd. (Areas of responsibility: Legal & Compliance Department, Credit Risk Management Department)
Apr. 2022	CCO/CRO/Managing Executive Officer of Mizuho Leasing Co., Ltd. (Areas of responsibility: Legal & Compliance Department, Risk Management Department, Credit Risk Management Department)
Jun. 2022	Outside Director of the Company (present)
Apr. 2023	Managing Executive Officer, Chief of Group - Credit Risk Management, Mizuho Leasing Co., Ltd. (present)

[Significant concurrent positions outside the Company]

Managing Executive Officer, Head of Credit Management Group, Mizuho Leasing Co., Ltd.

10 Takahiro Irisa

[New election] [Outside]

Date of birth	December 6, 1965
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	—/— (—%)
Term of office	— year

To our shareholders

The Ricoh Lease Group's efforts to transform itself into a "business company that not only handles finance but other businesses" under its medium- to long-term vision of becoming a Circulation-Creating Company are of great social significance, and I share this vision. As an Outside Director of the Company, I will contribute to the implementation of the Company's growth strategy by providing advice based on my understanding of the global trend of the SDGs and by utilizing my knowledge of business development and social contribution through the use of the digital technology developed at Ricoh Company, Ltd.

Reasons for nomination as candidate for Outside Director and expected roles

Takahiro Irisa has experience and knowledge in the area of IT and technology and in management strategy at a major office equipment and precision machinery manufacturer. The Company expects that he will contribute to the enhancement of the supervisory functions of the Board of Directors and the realization of fair and highly transparent management through the provision of valuable opinions and guidance on the Company's management based on the above. For this reason, the Company proposes that he be elected as an Outside Director.

The relationship between the candidate and a specified related business operator

Ricoh Company, Ltd. is a specified related business operator for the Company. The position and responsibilities of Takahiro Irisa at this company at present and in the past ten (10) years are noted in his career summary.

Areas of expertise expected by the Ricoh Leasing Group

ESG and sustainability / sales and marketing / IT and technology

Career summary, position and responsibilities in the Company

Apr. 1989	Joined Ricoh Company, Ltd.
Jun. 2003	General Manager of Thermal Sales Department, Thermal Media Company, Ricoh Company, Ltd.
Mar. 2007	General Manager, Ricoh Industrie France S.A.S.
Apr. 2011	General Manager of Strategy Planning Department, Thermal Media Company, Ricoh Company, Ltd.
Oct. 2012	General Manager of Strategy Planning Department, Chemical Technology & Products Division, Ricoh Company, Ltd.
Oct. 2013	General Manager of Business Management Office, Industrial Media Solutions Department, Ricoh Company, Ltd.
Oct. 2015	General Manager of Global Business Center, IMS Department, Ricoh Company, Ltd.
Apr. 2017	General Manager of Corporate Strategy Group, Corporate Strategy and Planning Center, Corporate Division, Ricoh Company, Ltd.
Apr. 2018	General Manager of Corporate Strategy Group, Corporate Strategy and Planning Center, Corporate Planning Division, Ricoh Company, Ltd.
Apr. 2019	General Manager of Corporate Strategy and Planning Center, Corporate Planning Division, Ricoh Company, Ltd.
Apr. 2020	Corporate Associate Vice President, Ricoh Company, Ltd.
Apr. 2021	Corporate Officer, Ricoh Company, Ltd. President of Ricoh Futures Business Unit, Ricoh Company, Ltd.
Apr. 2023	Senior Corporate Officer, Ricoh Company, Ltd. (present) President of Ricoh Digital Services Business Unit, Ricoh Company, Ltd. (present)

[Significant concurrent positions outside the Company]

Senior Corporate Officer, President of Ricoh Digital Services Business Unit, Ricoh Company, Ltd.

Matters concerning candidates for Director

Special interest

There is no special interest between any of the candidates and the Company.

Directors and Officers liability insurance policy

The Company has concluded a Directors and Officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. Officers of the Company and its subsidiaries are insured under said policy, and the Company bears the insurance premiums of said insurance. If a candidate assumes office as Director, he or she will be insured under said insurance policy. The policy covers losses that may arise from the insured's assumption of liability in the course of the performance of their duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion, such as claims for damages arising from performance of an illegal act by an insured with full knowledge of its illegality.

On August 1, 2023, in the middle of each candidate's term of office, the Company will renew the insurance policy with the same terms and conditions.

Limited liability agreement

The Company stipulates in its Articles of Incorporation that it is able to establish an agreement with Directors (excluding Executive Directors, etc.) to limit the liability for damages specified in Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this liability limitation agreement is the minimum liability amount as provided in laws and regulations. If the candidates for Directors, Mr. Masaya Futamiya, Ms. Masako Arakawa, Ms. Mari Ebisui, Ms. Atsumi Harasawa, Mr. Takashi Ichinose and Mr. Nobuhisa Zama are appointed, the Company will continue the liability limitation agreement with each of them.

If Mr. Takahiro Irida is appointed, the Company will conclude a similar contract with him to limit his liabilities.

Candidates for Outside Director

Mr. Masaya Futamiya, Ms. Masako Arakawa, Ms. Mari Ebisui, Ms. Atsumi Harasawa, Mr. Takashi Ichinose, Mr. Nobuhisa Zama and Mr. Takahiro Irida are candidates for Outside Directors.

Independence

The Company has registered Mr. Masaya Futamiya, Ms. Masako Arakawa, Ms. Mari Ebisui, Ms. Atsumi Harasawa and Mr. Takashi Ichinose as independent officers pursuant to the provisions of Tokyo Stock Exchange, Inc. If they are elected, the Company will continue to appoint them as independent officers.

Other matters concerning candidates for Director

- The stated attendance of the Board of Directors meetings for Takashi Ichinose and Nobuhisa Zama considers only the meetings held after they assumed office (on June 27, 2022).
- The figures for the number of the Company's shares owned by candidates shown above indicate the current status as of March 31, 2023.

Reference

**Areas of expertise expected of Directors
(Management structure after approval)**

In the event that Proposal 3 is approved in its original form, the structure and areas of expertise expected of Directors will be as follows. Given that we have appointed Directors who share our medium- to long-term vision of becoming a “Circulation-Creating Company” and have a basic literacy in ESG and sustainability, we have high expectations for all Directors in the area of “ESG and sustainability.”

	Tokuharu Nakamura	Hirozumi Sano	Shinichi Kuroki	Masaya Futamiya	Masako Arakawa	Mari Ebisui
Attribute	Representative Director	Director	Director	Outside Director	Outside Director	Outside Director
Term of office	4 years	4 years	2 years	5 years	4 years	3 years
Committee	–	–	–	Nominating and Compensation Committee Member	Nominating and Compensation Committee Member	Nominating and Compensation Committee Member
ESG and sustainability	•	•	•	•	•	•
Corporate management	•	–	–	•	–	–
Finance and accounting	–	•	–	–	–	•
Sales and marketing	•	•	•	–	–	–
Finance and investment	•	•	•	–	•	–
Law	–	–	–	–	–	–
Risk management	–	–	–	–	–	•
IT and technology	–	–	–	–	–	–
Human resources	•	•	•	•	•	•

Note: The above table doesn't represent all of the knowledge and experience of each director.

	Atsumi Harasawa	Takashi Ichinose	Nobuhisa Zama	Takahiro Irida	Tokio Kawashima	Hiromi Nakazawa	Toru Miyama
Attribute	Outside Director	Outside Director	Outside Director	Outside Director	Audit & Supervisory Committee Member Director (Outside)	Audit & Supervisory Committee Member Director (Outside)	Audit & Supervisory Committee Member Director (Outside)
Term of office	3 years	1 year	1 year	—	3 years	1 year	1 year
Committee	Nominating and Compensation Committee Member	Nominating and Compensation Committee Member	—	—	Audit & Supervisory Committee Member	Audit & Supervisory Committee Member	Audit & Supervisory Committee Member
ESG and sustainability	●	●	●	●	●	●	●
Corporate management	—	●	—	—	—	—	—
Finance and accounting	—	—	—	—	—	●	—
Sales and marketing	—	—	—	●	—	—	—
Finance and investment	—	—	●	—	●	●	—
Law	●	—	—	—	—	—	●
Risk management	●	—	●	—	●	●	●
IT and technology	—	●	—	●	—	—	—
Human resources	●	●	—	—	—	—	—

Proposal 4: Election of One (1) Substitute Director who is an Audit & Supervisory Committee Member

The Company proposes that one (1) substitute Director who is an Audit & Supervisory Committee Member be elected in advance to prepare for a case where the number of Directors who are Audit & Supervisory Committee Members falls below the number stipulated by laws and regulations.

We have obtained the consent of the Audit & Supervisory Committee to this proposal.

The nomination of candidates for Director has been reported to the Nominating and Compensation Committee consisting entirely of Independent Outside Directors.

The candidate for substitute Audit & Supervisory Committee Member is as follows:

1 Koichiro Ikeda

[Outside] [Independent]

Date of birth	June 25, 1970
Number of the Company's shares owned	—
Attendance at the Board of Directors meetings	—/— (—%)
Attendance at the Audit & Supervisory Committee meetings	—/— (—%)
Term of office	— year

Reasons for nomination as candidate for substitute Outside Director who is an Audit & Supervisory Committee Member and expected roles

Koichiro Ikeda has experience and professional knowledge as a lawyer. The Company believes that he will contribute to strengthening the supervisory function of the Board of Directors and enhancement of corporate value through valuable advice, etc. based on the above, and proposes that he be elected as substitute Outside Director. While he has no experience in working directly in corporate management, for the reasons given above, we believe that he can adequately fulfill his responsibilities as an Outside Director.

Career summary, position and responsibilities in the Company

Oct. 2002 Registered as attorney at law

Jul. 2015 Established Ikeda Law Office

[Significant concurrent positions outside the Company]

Attorney

Independence

- He fulfills the requirements for Independent Directors as stipulated by the Tokyo Stock Exchange, Inc. as well as the Company's Independence Standards for Outside Directors. In the event that his election is approved and he assumes the office of Director who is an Audit & Supervisory Committee Member, the Company plans to register him as an Independent Director with the aforementioned exchange.

Special interest

- There is no special interest between Koichiro Ikeda and the Company.

Directors and Officers liability insurance policy

The Company has concluded a Directors and Officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. Officers of the Company and its subsidiaries are insured under said policy, and the Company bears the insurance premiums of said insurance. In the event that the election of Koichiro Ikeda is approved and he assumes the office as a Director who is an Audit & Supervisory Committee Member, he will be insured under said insurance policy, which covers losses that may arise from the insured's assumption of liability in the course of the performance of his duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion, such as claims for damages arising from performance of an illegal act by an insured with full knowledge of its illegality. On August 1, 2023, in the middle of each candidate's term of office, the Company will renew the insurance policy with the same terms and conditions.

Limited liability agreement

In the event that the election of Koichiro Ikeda is approved and he assumes the office as a Director who is an Audit & Supervisory Committee Member, the Company plans to conclude an agreement with him limiting his liability for damages under Article 423, paragraph 1 of the Companies Act. This agreement will set the limit of such liability as the minimum total liability stipulated by laws and regulations.

Other matters concerning the candidate for substitute Director who is an Audit & Supervisory Committee Member

- Koichiro Ikeda is a candidate for substitute Outside Director who is an Audit & Supervisory Committee Member.

Proposal 5: Determination of Amount and Details of Share Compensation, Etc. for Directors

1. Reasons for the proposal and reasons why we regard that our compensation plans are reasonable

The remuneration of the Company's Directors (excluding Directors who are the Audit & Supervisory Committee Members and Outside Directors. The same applies hereinafter unless the context otherwise requires) consists of "basic remuneration," "performance-linked bonuses" and "share compensation." Of these, the plan pertaining to "share compensation" (hereinafter referred to as the "Plan") was approved and introduced at the 43rd Ordinary General Meeting of Shareholders held on June 19, 2019 (hereinafter referred to as the "Initial Resolution") and was subsequently approved again at the 44th Ordinary General Meeting of Shareholders held on June 24, 2020 as remuneration for Directors excluding those who are the Audit & Supervisory Committee Members, associated with the transition to a company with an Audit & Supervisory Committee (hereinafter referred to as the "Previous Resolution"). Since then, it has been in operation continuously. However, we would like to make some changes to the content of the Plan. Please leave the details to the discretion of our Board of Directors within the range indicated in 2. below.

The Plan has been introduced for the purpose of clarifying the linkage between Directors' remuneration and the Company's business performance and shareholder value, and raising awareness among Directors of the need to contribute to improving the Company's performance and increasing its corporate value over the medium to long term by sharing the benefits and risks of share price fluctuations with shareholders. However, the Company intends to further improve the incentive effect by changing the timing of the delivery of the Company's shares to Directors under the Plan from the time of retirement to the time of service, and by attaching a restriction on the transfer of the Company's shares until retirement.

At its meeting held on June 27, 2022, the Company's Board of Directors established a policy for determining the content of remuneration for individual Directors, and a summary of this policy is provided in the Reference on pages 26-27. However, at the meeting held on May 9, 2023, the Board of Directors resolved to change the said decision-making policy as described in the Reference on pages 28-30, subject to the approval of this proposal as originally proposed. This proposal is necessary and reasonable to provide remuneration in accordance with the policy after the changes. Based on the reasons above, we believe that the content of this proposal is appropriate.

This proposal has been submitted after being approved by the Board of Directors following deliberation by the Nominating and Compensation Committee, which consists solely of Independent Outside Directors (excluding Directors who are the Audit & Supervisory Committee Members) and which has been established by the Board of Directors.

The number of Directors subject to the Plan will be three when Proposal 3, "Election of Ten (10) Directors (Excluding Directors who are Audit & Supervisory Committee Members)" are approved.

In addition, we have received an opinion from the Audit & Supervisory Committee that the content of this proposal is appropriate.

* If this proposal is approved as originally proposed, we will make the same changes to the share compensation plan already introduced for Executive Officers, etc. who have concluded a delegation agreement with the Company.

2. Amount and content of remuneration, etc. under the Plan

(1) Overview of the Plan

The Plan is a share compensation plan where a trust established and paid for by the Company (already established. Hereinafter referred to as "the Trust") acquires shares of the Company (common shares of the Company. The same applies hereinafter) and delivers the shares to each Director in proportion to the number of points that the Company grants to each Director.

The time when Directors receive delivery of the Company's shares under the Plan was previously set at the time of their retirement from office. However, if this proposal is approved as originally proposed, the Company's shares in proportion to the points to be granted to Directors as consideration for their execution of duties during the period after this General Meeting of Shareholders shall be delivered not at the time of their retirement but within a prescribed period (in principle, within the same fiscal year of each point grant date) after each point grant date (in principle, every fiscal year) as described in (3)(i) below, and then be

restricted to transfer during the period until their retirement.

In this proposal, “retirement” shall mean that a Director ceases to be the Director of the Company or any other position determined by the Board of Directors.

(i)	Persons eligible for the Plan	The Company’s Directors who are not Audit & Supervisory Board Members (excludes Outside Directors)
(ii)	Applicable period	From the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2024
(iii)	Method of acquiring of the Company’s shares by the Trust (after the extension of the applicable period, if any)	Method of disposing of treasury shares or method of acquiring the Company’s shares from the exchange market (including off-floor trading)
(iv)	Maximum number of points to be granted to the eligible persons in (i)	30,000 points per fiscal year
(v)	Criteria for granting points	Points will be granted according to the position and the degree of achievement of performance targets, etc.
(vi)	Transfer-restriction period	In principle, from the date of receipt of the Company’s shares to the date of retirement

(2) Maximum amount of funds provided by the Company

The initial trust period of the Trust is approximately 5 years from August 15, 2019 to the end of August 2024 and, based on the Initial Resolution, the Company has entrusted to the Trust a total of up to 300 million yen in cash (Note 1) as funds for acquiring the Company’s shares that need to be delivered under the Plan before the changes resulting from this proposal to Directors in office during the applicable period shown in (ii) in the table in (1) above. The Trust uses such trust funds to acquire the Company’s shares by the method of disposing of the Company’s treasury shares. Delivery of the Company’s shares to Directors under the Plan after the changes resulting from this proposal shall be made using the Company’s shares in the Trust.

Note 1: In the Initial Resolution, the maximum amount of funds that can be provided to acquire the Company’s shares necessary for delivery to Directors (Directors before the transition to a company with an Audit & Supervisory Committee; however, excluding Outside Directors) under the Plan before the changes resulting from this proposal during the said applicable period is resolved to be 300 million yen in total. In addition, in the Previous Resolution, this was approved again as a remuneration limit for Directors who are not Audit & Supervisory Committee Members (however, excluding Outside Directors).

Note 2: In addition to the funds for acquiring the Company’s shares mentioned above, necessary expenses such as trust fees and trust administrator fees are also placed in trust. In addition, a similar share compensation plan has also been introduced for Executive Officers, etc. who have entered into a delegation agreement with the Company, and funds for acquiring the Company’s shares necessary for the delivery to Executive Officers, etc. under the Plan are also placed in trust.

Each time the applicable period expires, the Company may continue the Plan by extending the applicable period, setting a period of no more than five (5) fiscal years each time (including extending the trust period in effect by transferring the trust assets of the Trust to a trust with the same purpose as that of the Trust established by the Company; the same applies hereinafter), based on the decision of its Board of Directors. In this case, the Company will additionally contribute to the Trust money up to the amount derived by multiplying the number of fiscal years of the extended applicable period by 60 million yen as funds for additionally acquiring the Company’s shares necessary for delivery to Directors under the Plan during the extended applicable period, and will continue the granting of points and the delivery of the Company’s shares described in (3) below.

Furthermore, even if the applicable period is not extended and the Plan is not continued as described above, if, at the time of expiration of the trust period, there are Directors who have been granted points as consideration for the execution of duties during the period before this General Meeting of Shareholders based on the Plan before the changes resulting from this proposal, but not yet retired from office, the Company may extend the trust period of the Trust until such Directors retire from office and the delivery of the Company’s shares is completed.

(3) Method for calculating the Company's shares to be delivered to Directors and maximum amount

(i) Method for granting points to Directors

The Company will, pursuant to the Share Delivery Regulations established by its Board of Directors, grant points to each Director according to their position and degree of achievement of performance targets, etc. on the point grant date (in principle, every fiscal year) during the trust period stipulated in the share delivery rules.

However, the total number of points granted by the Company to Directors shall not exceed 30,000 points per fiscal year, the same as in the Initial Resolution and the Previous Resolution.

(ii) Delivery of the Company's shares according to the number of points granted

The Directors will receive the Company's shares according to the number of points granted as described in (i) through the procedure described in (iii) below. However, the delivery of the Company's shares in proportion of the points granted as consideration for the execution of duties during the period prior to this General Meeting of Shareholders based on the Plan before the changes shall be made in accordance with the Initial Resolution and the Previous Resolution.

One point equates to one share of the Company. However, if a situation arises with respect to the Company's shares whereby it is deemed reasonable to make adjustments to the number of the Company's shares to be delivered, such as a share split or the consolidation of shares, the Company shall make adjustments to the number of the Company's shares per point according to such split ratio, consolidation ratio, or such like.

(iii) Delivery of the Company's shares to Directors

Each Director shall, in principle, acquire beneficial interests in the Trust and receive delivery of the Company's shares described in (ii) above from the Trust in each fiscal year during the trust period (in principle, during the same fiscal year of each point grant date for each point granted in (i) above), subject to the conclusion of a transfer restriction agreement with the Company as described in 3. below and other prescribed procedures. However, as described in (ii) above, with respect to the Company's shares to be delivered in proportion to points granted as consideration for the execution of duties during the period before this General Meeting of Shareholders based on the Plan before the changes, each Director shall acquire beneficial interests in the Trust by following the prescribed procedures at the time of their retirement, in principle, and receive the delivery of the Company's shares from the Trust, in accordance with the Initial Resolution and the Previous Resolution.

If the Company's shares held in the Trust are converted into cash following subscription to a tender offer or such like, the Company may deliver money in place of the Company's shares.

(4) Exercise of voting rights

Voting rights associated with the Company's shares held in the Trust shall, under the instruction of the trust administrator independent of the Company or any officers of the Company, not be exercised at all. This approach is intended to ensure neutrality towards the management of the Company with respect to the exercise of voting rights associated with the Company's shares held in the Trust.

(5) Handling of dividends

Dividends of the Company's shares held in the Trust will be received by the Trust, and used for acquiring the Company's shares as well as for the trust fees to be paid to the trustee with respect to the Trust.

3. Transfer restriction agreement on the Company's shares to be delivered to Directors

With respect to the Company's shares to be delivered as consideration for the execution of duties during the period after this General Meeting of Shareholders in proportion to the points to be granted in accordance with 2.(3)(i) above, if this proposal is approved as originally proposed, the Company and the Director shall enter into a transfer restriction

agreement (hereinafter referred to as the “Transfer Restriction Agreement”) that includes the following details (each Director shall receive delivery of the Company’s shares subject to the conclusion of the Transfer Restriction Agreement).

However, if the Company’s shares are delivered under the Plan after retirement, the Company’s shares will be delivered without any restrictions on transfer. The Trust may convert a certain percentage of the Company’s shares into cash to enable the Company to withhold funds for payment of tax such as withholding income tax, and money may then be delivered in place of the Company’s shares.

(1) Period of transfer restrictions

Directors may not transfer, create a security interest in, or otherwise dispose of the Company’s shares delivered under the Plan (hereinafter referred to as the “Delivered Shares”) during the period from the date of receipt of delivery (or the date of receipt of each delivery in the case of multiple deliveries) to the date of retirement from office (hereinafter referred to as the “Transfer Restriction Period”) (hereinafter referred to as the “Transfer Restrictions”).

(2) Acquisition of the Delivered Shares without consideration

(i) If a Director attempts to dispose of all or part of the Delivered Shares by transfer, creating a security interest or otherwise, in violation of the Transfer Restrictions, the Company shall automatically acquire all of the Delivered Shares without consideration.

(ii) If a Director falls under any of the following i) through iv) during the Transfer Restriction Period, the Company shall automatically acquire all of the Delivered Shares without consideration as of the time the Director falls under any of said i) through iv).

i) Where the Director is sentenced to imprisonment or heavier punishment

ii) Where a petition for the commencement of bankruptcy proceedings, the commencement of civil rehabilitation proceedings, or the commencement of other similar proceedings was filed by or against the Director

iii) Where the Director was subjected to attachment, provisional attachment, provisional disposition, compulsory execution, a petition for commencement of auction procedure, or a disposition for failure to pay taxes or public dues

iv) Where the Director retires from office due to reasons other than expiration of term of office, mandatory retirement age, death or any other justifiable reasons

(iii) If a Director falls under either of the following i) or ii) during the Transfer Restriction Period, the Company shall, by giving written notice to the Director that it will acquire the Delivered Shares without consideration, automatically acquire all of the Delivered Shares without consideration (however, in the case of ii) below, if it is determined to be appropriate to acquire a portion of the Delivered Shares, only such portion of the Delivered Shares shall be acquired) as of the time such notice is received.

i) Where the Company’s Board of Directors deems that the Director was engaged in operations that were in competition with the business of the Company or became an officer or employee of a competitor corporation or other competitor organization (unless the Company’s prior written authorization was obtained)

ii) Where the Board of Directors of the Company recognizes that the Director has violated laws and regulations, the internal rules of the Company, or the Transfer Restriction Agreement in a material respect, or where the Board of Directors of the Company otherwise determines that it is appropriate for the Company to acquire the Delivered Shares without consideration.

(3) Measures to be taken in relation to organizational restructuring, etc.

Notwithstanding the foregoing, if any of the matters listed in the following i) through vi) is approved at a General Meeting of Shareholders of the Company during the Transfer Restriction Period (however, the Board of Directors of the Company if the approval of the Company’s General Meeting of Shareholders is not required in ii) and in the case of vi)) (however, this is limited to when the date set forth in the following i) through vi) (hereinafter referred to as the “Effective Date of Organizational Restructuring, etc.”) arrives

before the expiration of the Transfer Restriction Period), the Transfer Restrictions shall be terminated as of the time immediately preceding the business day immediately preceding the Effective Date of Organizational Restructuring, etc.

- i) Merger agreement under which the Company is to be dissolved Effective date of the merger
 - ii) Absorption-type company split agreement or an incorporation-type company split plan under which the Company will be a split company (limited to cases where the Company delivers all or part of the consideration for the split, which is to be delivered as a result of such company split, to shareholders of the Company on the effective date of the company split) Effective date of the company split
 - iii) Stock swap agreement or share transfer plan under which the Company will be a wholly owned subsidiary Effective date of stock swap or share transfer
 - iv) Consolidation of shares (limited to cases where the Delivered Shares to be owned by the Director will be less than one due to the said consolidation of shares) Effective date of consolidation of shares
 - v) Acquisition of all common shares of the Company carried out as the acquisition of shares subject to class-wide call provided for in Article 108, Paragraph (1), item (vii) of the Companies Act Date of acquisition stipulated in Article 171, Paragraph (1), item (iii) of the Companies Act
 - vi) Demand for cash-out for the Company's common shares (meaning the Demand for Cash-Out set forth in Article 179, Paragraph (2) of the Companies Act) Date of acquisition prescribed in Article 179-2, Paragraph (1), item (v) of the Companies Act
- (4) Other matters to be determined by the Board of Directors
- In addition to the above, the Transfer Restriction Agreement includes means of manifesting intentions and providing notice in the Transfer Restriction Agreement, methods for revising the Transfer Restriction Agreement, and other matters to be determined by the Board of Directors.

(Reference: Policies on decisions related to details of remuneration, etc. for individual Directors)

At a meeting of the Board of Directors held on June 27, 2022, the Company resolved to adopt the policy on determining details of remuneration, etc. for individual Directors. The resolution by the Board of Directors was made on the basis of a report by the Nominating and Compensation Committee, which was consulted in advance about the details of the resolution.

The Board of Directors also confirms that the methods for determining the details of remuneration, etc. and the determined remuneration, etc., for individual Directors for the fiscal year under review are consistent with the policy resolved by the Board of Directors and that reports from the Nominating and Compensation Committee are respected, and believes that the remuneration, etc. is in line with the policy.

The policy for determining the details of remuneration, etc. on an individual Director basis is detailed as follows.

The policy for determining the details of remuneration, etc. for individual Directors

1. Basic policy

The Company considers officers' remuneration as an effective way of incentivizing officers to realize sustainable improvement in business results over the medium and long term which will in turn enhance the corporate value of the Company and Group companies (shareholder value) and determines remuneration based on the following policy, with a view to strengthening corporate governance.

- (1) We will create a structure for remuneration which is commensurate with the roles and responsibilities officers are expected to fulfill.
- (2) We will adopt remuneration which enhances our business results and corporate value (shareholder value) and aligns the interests of officers with those of shareholders.
- (3) We will ensure a level of remuneration which allows us to appoint (recruit) and retain talent.
- (4) We will strive to make the process for determining remuneration objective, transparent and appropriate to be accountable to shareholders and other stakeholders.

More specifically, remuneration for Directors will be composed of basic remuneration as fixed remuneration and performance-linked bonuses and share compensation, and we will pay basic remuneration only to Directors who are members of the Audit & Supervisory Board and Outside Directors, from the viewpoint of their role of exercising appropriate supervision and their independence.

2. Policy for determining the remuneration of each Director individually, including basic remuneration (cash compensation) (including the policy for determining when remuneration is to be provided and the conditions for providing it)

Basic remuneration for Directors of the Company is monthly fixed remuneration (a fixed amount based on rank). The Board of Directors of the Company determines a rank-based basic remuneration table created based on a report by the Nominating and Compensation Committee, giving comprehensive consideration to the importance of the role and responsibilities assumed by Directors, the level compared with other companies in the same industry and companies of a similar scale, and the Company's business results and the level of employee salaries, and it determines the basic remuneration of individual officers based on this rank-based basic remuneration table.

3. Policy for determining details and amounts of performance-linked remuneration and non-cash remuneration and determining their calculation methods (including the policy for determining the time or conditions for giving remuneration)

Performance-linked bonuses, which fall into the category of performance-linked remuneration, are cash compensation intended to reflect the outcome of efforts to improve business results each fiscal year and they are paid at certain times each year.

The Representative Director, President and CEO of the Company (the "President") is authorized to decide the individual amount of the performance-linked bonus for each Director based on a formula determined by the Board of Directors of the Company, taking execution of duties by each Director into consideration.

Performance-linked bonus calculation formula = Consolidated operating profit for the fiscal year in question × Ratio of attainment of consolidated operating profit target for the fiscal year in question × ROA × Scores for happiness*1 × Rank-based multiplying factor × Evaluation based on execution of duties (1.25-0.7)*2*1 Employee engagement survey score *2 Index based on evaluation

The President is authorized to make this decision because he is best placed to evaluate execution of duties by each Director from the perspective of the Company’s overall business results. To ensure that this authority is exercised properly by the President, the President consults the Nominating and Compensation Committee over the evaluation of each Director and determine the evaluation of the execution of duties in accordance with a report by the Nominating and Compensation Committee. However, evaluation of the President based on execution of duties is determined by the Nominating and Compensation Committee after discussions between the President and the Committee regarding goal setting and evaluation.

The purpose of the share compensation, which falls into the category of non-cash remuneration, is to motivate Directors to contribute to improvement of business results and enhancement of corporate value in the medium and long term by further clarifying the link between their contribution and remuneration and to make them share the benefits and risks of share price fluctuations with shareholders. The Company contributes money to establish a trust (hereinafter, the “Trust”), which acquires shares of the Company, and then the Company’s shares in a number corresponding to the number of points granted to each Director are delivered to each Director through the Trust. The points to be granted to each Director will be granted, based on the Share Delivery Regulations established by the Board of Directors of the Company, according to rank and achievement of business targets (consolidated operating profit, etc.), on a point grant date specified in the Share Delivery Regulations within the trust period (which expires at the end of August 2024).

Directors will be eligible to receive delivery of the Company’s shares when they retire as a Director, in principle.

4. Policy for determining the ratio of the amount of cash compensation, performance-linked remuneration or non-cash remuneration to the amount of remuneration for individual Directors

The percentage of each type of remuneration for Directors is set so that the weight of share compensation, which acts as a medium-to-long-term incentive, increases according to the right of representation, using remuneration levels at companies of a similar scale to the Company or companies of a similar type as a benchmark. The yardstick for the ratio of each type of remuneration is that the ratio of basic remuneration to performance-linked remuneration plus non-cash remuneration is 1: 1. (Assuming 100% achievement of KPIs)

	Basic remuneration	Bonus linked to single-year performance	Share Compensation
Outside Director (excluding Directors who are Audit & Supervisory Committee Members)	100%	-	-
Representative Director	50%	35%	15%
Director	50%	37%	13%

5. Policy for determining other content regarding remuneration, etc. for individual Directors

The Company will establish a Nominating and Compensation Committee for the purpose of ensuring that remuneration for Directors is determined objectively, transparently and appropriately. The Nominating and Compensation Committee is positioned as an advisory body within the Board of Directors and is composed on independent Outside Directors only. The Committee deliberates whether the compensation plan and level of remuneration for Directors is in line with policies and reports the results of its deliberations to the Board of Directors and the Board of Directors determines remuneration for Directors in light of these results.

If unexpected special factors (including, but not limited to extraordinary natural phenomena, sharp fluctuations in foreign currency exchange rates, misconduct, organizational restructuring, etc.) arise at the time of determining remuneration, etc. of Directors, discretionary decisions may be incorporated in a resolution of the Board of Directors, as necessary, after deliberations at an extraordinary meeting of the Nominating and Compensation Committee.

Reference Revision of the officers' remuneration system from fiscal 2023

From July 2023, the share compensation plan, which is a medium- to long-term incentive, will be changed from the current stock delivery trust type to an advance delivery-type restricted stock (RS) trust type, subject to approval of Proposal 5 to be proposed at the 47th Ordinary General Meeting of Shareholders. The timing of delivery of shares will be changed from the time of retirement to the time of service, and the Company's shares with transfer restrictions imposed by contract will be delivered. In conjunction with the above changes, the Board of Directors, at its meeting on May 9, 2023, adopted a new "Policy for Determining the Details of Remuneration, etc. for Individual Directors," subject to approval of Proposal 5, which is to be submitted to the 47th Ordinary General Meeting of Shareholders. Details are as follows.

The policy for determining the details of remuneration, etc. for individual Directors

1. Basic policy

The Company considers officers' remuneration as an effective way of incentivizing officers to realize sustainable improvement in business results over the medium and long term which will in turn enhance the corporate value of the Company and Group companies (shareholder value) and determines remuneration based on the following policy, with a view to strengthening corporate governance.

- (1) We will create a structure for remuneration which is commensurate with the roles and responsibilities Directors are expected to fulfil.
- (2) We will adopt remuneration which enhances our business results and corporate value (shareholder value) and aligns the interests of officers with those of shareholders.
- (3) We will ensure a level of remuneration which allows us to appoint (recruit) and retain talent.
- (4) We will strive to make the process for determining remuneration objective, transparent and appropriate to be accountable to shareholders and other stakeholders.

More specifically, remuneration for Directors will be composed of basic remuneration as fixed remuneration and performance-linked bonuses and share compensation, and we will pay basic remuneration only to Directors who are members of the Audit & Supervisory Board and Outside Directors, from the viewpoint of their role of exercising appropriate supervision and their independence.

2. Policy for determining the remuneration of each Director individually, including basic remuneration (cash compensation) (including the policy for determining when remuneration is to be provided and the conditions for providing it)

Basic remuneration for Directors of the Company is monthly fixed remuneration (a fixed amount based on rank). The Board of Directors of the Company determines a rank-based basic remuneration table created based on a report by the Nominating and Compensation Committee, giving comprehensive consideration to the importance of the role and responsibilities assumed by Directors, the level compared with other companies in the same industry and companies of a similar scale, and the Company's business results and the level of employee salaries, and it determines the basic remuneration of individual officers based on this rank-based basic remuneration table.

3. Policy for determining details and amounts of performance-linked remuneration and non-cash remuneration and determining their calculation methods (including the policy for determining the time or conditions for giving remuneration)

Performance-linked bonuses, which fall into the category of performance-linked remuneration, are cash compensation intended to reflect the outcome of efforts to improve business results each fiscal year and they are paid at certain times each year.

The amount of individual performance-linked remuneration for each Director will be determined based on the following calculation formula determined by the Board of Directors of the Company and delegated to the Representative Director, President and CEO of the Company (the "President") to determine the amount based on the status of each Director's execution of duties.

Performance-linked bonus calculation formula = Consolidated operating profit for the fiscal year in question × Ratio of attainment of consolidated operating profit target for the fiscal year in question × ROA × Scores for happiness*1 × Rank-based multiplying factor × Evaluation based on execution of duties (1.25-0.7)*2

*1 Employee engagement survey score *2 Index based on evaluation

The President is authorized to make this decision because he is best placed to evaluate execution of duties by each Director from the perspective of the Company's overall business results. The President consults the Nominating and Compensation Committee over the evaluation of each Director and determine the evaluation of the execution of duties in accordance with a report by the Nominating and Compensation Committee. However, evaluation of the President based on execution of duties is determined by the Nominating and Compensation Committee after discussions between the President and the Committee regarding goal setting and evaluation.

The purpose of the share compensation, which falls into the category of non-cash remuneration, is to motivate Directors to contribute to improvement of business results and enhancement of corporate value in the medium and long term by further clarifying the link between their contribution and remuneration and to make them share the benefits and risks of share price fluctuations with shareholders. The Company contributes money to establish a trust (hereinafter, the "Trust"), which acquires shares of the Company, and then the Company's shares in a number corresponding to the number of points granted to each Director are delivered to each Director through the Trust. The points to be granted to each Director will be granted, based on the Share Delivery Regulations established by the Board of Directors of the Company, according to rank and achievement of business targets (consolidated operating profit, etc.), on a point grant date specified in the Share Delivery Regulations within the trust period (which expires at the end of August 2024).

From fiscal 2023, the timing for the Directors to receive the delivery of shares will be changed from the time of retirement at present to the time of service, and the incentive effect will be further improved by imposing transfer restrictions on the Company's shares until retirement.

4. Policy for determining the ratio of the amount of cash compensation, performance-linked remuneration or non-cash remuneration to the amount of remuneration for individual Directors

The percentage of each type of remuneration for Directors is set so that the weight of share compensation, which acts as a medium-to-long-term incentive, increases according to the right of representation, using remuneration levels at companies of a similar scale to the Company or companies of a similar type as a benchmark. The rough standard for the ratio of each type of remuneration, etc. is the basic remuneration: the performance-linked remuneration, etc. + non-monetary remuneration, etc. = 1:1. (The rough standard for the ratio of each type of remuneration, etc. when the performance targets are achieved 100%)

	Basic remuneration	Bonus linked to single-year performance	Share Compensation
Outside Director (excluding Directors who are Audit & Supervisory Committee Members)	100%	-	-
Representative Director	50%	35%	15%
Director	50%	37%	13%

5. Policy for determining other content regarding remuneration, etc. for individual Directors

The Company will establish a Nominating and Compensation Committee for the purpose of ensuring that remuneration for Directors is determined objectively, transparently and appropriately. The Nominating and Compensation Committee is positioned as an advisory body within the Board of Directors and is composed of independent Outside Directors only. The Committee deliberates whether the compensation plan and level of remuneration for Directors is in line with policies and reports the results of its deliberations to the Board of Directors and the Board of Directors determines remuneration for Directors in light of these results. If unexpected special factors (including, but not limited to extraordinary natural phenomena, sharp fluctuations in foreign currency exchange rates, misconduct, organizational restructuring, etc.) arise at the time of determining remuneration, etc. of Directors, discretionary decisions may be incorporated in a resolution of the Board of Directors, as necessary, after deliberations at an extraordinary meeting of the Nominating and Compensation Committee.