

Securities Code: 7388

February 13, 2024

(Start of Electronic Provision Measures: February 6, 2024)

To our shareholders:

1-5-3, Koraku, Bunkyo-ku, Tokyo
Koraku International Building, 5th Floor
FP Partner Inc.

Representative Director and President Tsutomu Kuroki

Notice of Convocation of 14th Ordinary General Meeting of Shareholders

We would like to take this opportunity to thank you for your support.

We would also like to express our sympathy for the victims and related parties of the 2024 Noto Peninsula earthquake that occurred on New Years Day 2024. We sincerely hope for the swiftest recovery for all those affected by this incident.

We are pleased to announce the 14th Ordinary General Meeting of Shareholders of FP Partner Inc., which will be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures providing information in an electronic format and posts such information as "Notice of Convocation of 14th Ordinary General Meeting of Shareholders" online on the website below.

Company website: <https://fpp.jp/ir/en/>



In addition to this, the information is also posted online on the website below.

Tokyo Stock Exchange website

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

*Please access the TSE website (Listed Company Search), enter the company name (FP Partner) or securities code (7388), click "Search," and then click "Basic Information" and select "Documents for public inspection/PR information."



If you do not attend the meeting in person, you may exercise your voting rights via the Internet or in writing. After examining the Reference Materials for the General Meeting of Shareholders posted in the matters for electronic provision, please exercise your voting rights no later than 6:00 p.m. (JST) on Tuesday, February 27, 2024.

1. Date and time: Wednesday, February 28, 2024 at 10:00 a.m.
(JST; reception begins at 9:30 a.m.)
2. Venue: Japan-China Friendship Center, Main Building, B1, Main Hall,
Koraku International Building, 1-5-3, Koraku, Bunkyo-ku, Tokyo

*The venue differs from the venue for last year's Ordinary General Meeting of Shareholders. Therefore, please check the "14th Ordinary General Meeting of Shareholders Venue Guide" in the back to ensure no mistakes when attending (available in Japanese only).
3. Purpose of the meeting
Matters to be reported The Business Report and Financial Statements for the 14th fiscal term
(December 1, 2022 to November 30, 2023)

Matters to be resolved
Proposal No. 1: Election of Ten (10) Directors
Proposal No. 2: Determination of Remuneration to Grant Restricted Stock to Directors
(Excluding Outside Directors) and Determination of Remuneration Amount
for Directors

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- ◎ Shareholders attending this meeting in person are kindly requested to submit the voting form to the reception desk at this meeting.
 - ◎ If revisions to the matters subject to electronic provision measures arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
 - ◎ Pursuant to the laws and regulations and Article 15 of the Company's Articles of Incorporation, of the matters subject to electronic provision measures, the following are not included in written documents provided because they are published online on the Company website and the TSE website.
 - (1) "System to ensure proper business operations" and "Overview of operational status of system to ensure proper business operations" in the Business Report
 - (2) "Statement of changes in equity" and "Notes to non-consolidated financial statements" in the Financial StatementsTherefore, the information in the matters subject to electronic provision measures are part of the Business Report and Financial Statements audited upon Audit & Supervisory Board Members preparing the audit reports and Financial Statements audited upon Corporate Auditors preparing the accounting audit reports.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Materials

Proposal No. 1: Election of Ten (10) Directors

Pursuant to the provisions of the Articles of Incorporation, the terms of office of all ten (10) Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of ten (10) Directors.

The candidates for Director are as follows.

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|--|---|
| 1 | <p style="text-align: center;">Tsutomu Kuroki</p> <p style="text-align: center;">Reelection</p> <ul style="list-style-type: none"> ●Date of birth November 29, 1967 ●Term as Director 6 years, 1 month ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 4,069,888 shares | <ul style="list-style-type: none"> Apr. 1992 Joined Asahi Shinkin Bank Jan. 1999 Joined American Life Insurance Company (currently MetLife, Inc.) Mar. 2005 Representative Director, FP Consulting Co., Ltd. Dec. 2017 Established Joint Company FP Consulting Co., Ltd., Representative (current) Jan. 2018 Representative Director and President of the Company (current) |
| | <p>■Reasons for nomination as Director</p> <p>Since the founding of the Company, Mr. Kuroki has helmed it with bold vision and strong leadership. By protecting the lives of customers and their families through insurance and pursuing “insurance operations as they should be,” a relationship that shares a life filled with comfort with customers, he has cemented the position of this Company in the insurance agency industry. Therefore, the Company nominates him as a candidate for Director so that he may continue to utilize his wealth of experience and deep knowledge in the further expansion of the business and company value creation.</p> | |

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|--|---|
| 2 | <p>Katsuyuki Tanaka</p> <p>Reelection</p> <ul style="list-style-type: none"> ●Date of birth September 5, 1966 ●Term as Director 8 years, 3 months ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 29,797 shares | <p>Apr. 1990 Joined Tokyo Life Insurance (currently T&D Financial Life Insurance Company)</p> <p>Jan. 2000 Joined American Life Insurance Company (currently MetLife, Inc.)</p> <p>July 2013 Joined Hoken No Madoguchi Group Inc.</p> <p>May 2014 Joined the Company</p> <p>Nov. 2015 Director</p> <p>Jan. 2018 Senior Managing Director and General Manager of Corporate Planning Department</p> <p>Nov. 2022 Senior Managing Director, General Manager of Corporate Planning Department, and General Manager of Risk Management Department</p> <p>Feb. 2023 Senior Managing Director and General Manager of Corporate Planning Department (current)</p> |
| | <p>■Reasons for nomination as Director</p> <p>Mr. Tanaka has contributed to the expansion of the business scope and improvement of operational efficiency by leading the development of a management plan and management strategy as well as development/administration of the annual forecasts. He also led the change to the TSE Prime Market and has promoted proactive investor relations and brand strategy in order to achieve a stable stock price. Therefore, the Company nominates him as a candidate for Director so that he may continue to utilize his wealth of experience and knowledge in the further expansion of the business and company value creation.</p> | |
| 3 | <p>Kenji Adachi</p> <p>Reelection</p> <ul style="list-style-type: none"> ●Date of birth July 31, 1972 ●Term as Director 6 years, 1 month ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 7,658 shares | <p>Apr. 1995 Joined Tokyo Life Insurance (currently T&D Financial Life Insurance Company)</p> <p>Jan. 2000 Joined American Life Insurance Company (currently MetLife, Inc.)</p> <p>Sept. 2004 Joined Tokio Marine & Nichido Life Insurance Co., Ltd.</p> <p>Apr. 2014 Joined FP Consulting Co., Ltd.</p> <p>Nov. 2015 Director</p> <p>Jan. 2018 Director of the Company</p> <p>Oct. 2020 Part-time Director, au Financial Partner Corporation (current)</p> <p>May 2022 Director and General Manager of Non-life Insurance Sales Department, the Company</p> <p>Apr. 2023 Director (current)</p> |
| | <p>■Reasons for nomination as Director</p> <p>Along with targeting expansion of the non-life insurance agency business, Mr. Adachi has promoted the expansion of partners in life insurance solicitor operations and diversification of models to attract new customers. By tapping into insurance consultation projects that utilize call centers, he is contributing to the significant increase in the number of customers. Therefore, the Company nominates him as a candidate for Director so that he may continue to utilize his wealth of experience and knowledge in the further expansion of the business and company value creation.</p> | |

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|---|--|
| 4 | <p style="text-align: center;">Takumi Saito</p> <p>Reelection</p> <ul style="list-style-type: none"> ●Date of birth December 28, 1974 ●Term as Director 11 years, 4 months ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 6,238 shares | <p>Apr. 1997 Joined Yasuda Life Insurance Company (currently Meiji Yasuda Life Insurance Company)</p> <p>July 2003 Joined American Life Insurance Company (currently MetLife, Inc.)</p> <p>Mar. 2010 Joined Tokio Marine & Nichido Life Insurance Co., Ltd.</p> <p>Oct. 2012 Representative Director of the Company</p> <p>Jan. 2018 Director and General Manager of Administrative Department</p> <p>May 2022 Director and General Manager of Human Resource Department</p> <p>Oct. 2022 Director</p> <p>Jan. 2024 Director and General Manager of Risk Management Department (current)</p> |
| | <p>■Reasons for nomination as Director</p> <p>Mr. Saito has worked tirelessly to construct the Administrative Department from the founding of the Company and possesses rich experience and knowledge of human resources, finance, general affairs, and legal affairs. As he also served as representative of Anshin FP Partner Inc., the Company's predecessor, so he is contributing to the construction of the Company's management foundation, including risk management, etc. in company management. Therefore, the Company nominates him as a candidate for Director so that he may continue to utilize his wealth of experience and knowledge in the further expansion of the business and company value creation.</p> | |
| 5 | <p style="text-align: center;">Takashi Kuwabara</p> <p>Reelection</p> <ul style="list-style-type: none"> ●Date of birth August 23, 1970 ●Term as Director 4 years ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 1,079 shares | <p>Apr. 1994 Joined Tokyo Life Insurance (currently T&D Financial Life Insurance Company)</p> <p>Apr. 2001 Joined American Life Insurance Company (currently MetLife, Inc.)</p> <p>Dec. 2008 Joined Tokio Marine & Nichido Life Insurance Co., Ltd.</p> <p>Oct. 2018 Joined the Company</p> <p>Aug. 2019 General Manager of New Business Development Department</p> <p>Feb. 2020 Director and General Manager of New Business Development Department (current)</p> |
| | <p>■Reasons for nomination as Director</p> <p>Mr. Kuwabara has taken efforts to expand the IFA business, home loan business, advertising bus order to generate demand outside of insurance sales. He is contributing to the diversification and stab of the revenue foundation, as well as improvement of company value. Therefore, the Company nominating as a candidate for Director so that he may continue to utilize his wealth of experience and knowl promote a key strategy for the Company.</p> | |

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|---|---|
| 6 | <p>Yoshihiro Fujii</p> <p>Reelection</p> <ul style="list-style-type: none"> ●Date of birth March 1, 1972 ●Term as Director 1 year ●Status of attendance of Board of Directors meetings 22 (of 22 meetings) ●Number of Company shares held 11,158 shares | <p>Apr. 1994 Joined Tokyo Life Insurance (currently T&D Financial Life Insurance Company)</p> <p>Feb. 2006 Joined Tokio Marine & Nichido Life Insurance Co., Ltd.</p> <p>Mar. 2017 Joined the Company, General Manager of West Japan Area Department</p> <p>Feb. 2023 Director and General Manager of West Japan Area Department</p> <p>Mar. 2023 Director and General Manager of Sales Headquarters (current)</p> |
| | <p>■Reasons for nomination as Director</p> <p>Mr. Fujii is responsible for core elements of the Company's business model, including managing nation-wide sales hubs, recruiting of sales staff, human resource training and constructing location opening strategies. He is also taking efforts to expand the policy transfer business and contributing to the diversification and stabilization of the revenue foundation. Therefore, the Company nominates him as a candidate for Director so that he may continue to utilize his wealth of experience and knowledge in the further expansion of the business and company value creation.</p> | |
| 7 | <p>Nobuyasu Ogata</p> <p>Reelection Outside</p> <p>Independent</p> <ul style="list-style-type: none"> ●Date of birth June 23, 1970 ●Term as Director 3 years, 7 months ●Status of attendance of Board of Directors meetings 25 (of 27 meetings) ●Number of Company shares held 29,956 shares | <p>Apr. 1996 Registered as attorney Joined Mori Law Office</p> <p>July 2002 Opened Ogata Legal Office (currently Ogata Law Office), Representative (current)</p> <p>July 2020 Outside Director of the Company (current)</p> |
| | <p>■Overview of reasons for nomination as Outside Director and expected roles</p> <p>Mr. Ogata operates a law office and has wide-ranging knowledge over many years in overall legal matters, in particular the Insurance Business Act and Financial Instruments and Exchange Act. In the Board of Directors, he offers appropriate and beneficial comments about the Company's management from a perspective of expertise as an attorney. Therefore, the Company nominates him as a candidate for Outside Director with the expectation that he will continue to monitor the governance of all management and conflicts of interest, etc., utilizing his expert knowledge as an attorney and contribute to the effective strengthening of decision-making functions and monitoring functions of the Board of Directors of the Company.</p> | |

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|--|---|
| 8 | <p>Yoshihiro Isaka</p> <p> <input checked="" type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent </p> <ul style="list-style-type: none"> ●Date of birth July 6, 1955 ●Term as Director 1 year, 7 months ●Status of attendance of Board of Directors meetings 27 (of 27 meetings) ●Number of Company shares held 6,536 shares | <p>Apr. 1979 Joined the Ministry of Finance</p> <p>June 2004 Minister of Embassy of Japan in the UK for the Ministry of Foreign Affairs</p> <p>July 2007 Deputy Commissioner (International Affairs), Commissioner's Secretariat, National Tax Agency</p> <p>July 2009 Head of Nagoya Regional Taxation Bureau</p> <p>Aug. 2010 Deputy Director-General (European Affairs Bureau), Ministry of Foreign Affairs</p> <p>July 2012 Deputy Director-General, National Tax Tribunal</p> <p>June 2013 Executive Officer, Tokyo Stock Exchange, Inc.</p> <p>Apr. 2017 Senior Executive Officer, Japan Exchange Group, Inc. Senior Executive Officer, Tokyo Stock Exchange, Inc. Senior Executive Officer, Osaka Exchange, Inc.</p> <p>Apr. 2022 Advisor, Japan Exchange Group, Inc.</p> <p>July 2022 Outside Director of the Company (current)</p> |
| | <p>■Overview of reasons for nomination as Outside Director and expected roles</p> <p>Mr. Isaka has served in key positions in government agencies, etc. and possesses wide-ranging knowledge on overall finance and corporate governance. In the Board of Directors, he offers appropriate and beneficial comments about Company's management from a perspective of expertise in financial administration. Therefore, the Company nominates him as a candidate for Outside Director with the expectation that he will contribute to the effective strengthening of decision-making functions and monitoring functions of the Board of Directors of the Company from an independent perspective in order to enhance corporate value.</p> | |
| 9 | <p>Makiko Nakagawa</p> <p> <input checked="" type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent </p> <ul style="list-style-type: none"> ●Date of birth May 22, 1973 ●Term as Director 1 year ●Status of attendance of Board of Directors meetings 22 (of 22 meetings) ●Number of Company shares held — | <p>Oct. 2001 Joined Chuo Aoyama Audit Corporation</p> <p>Aug. 2007 Joined ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC.)</p> <p>Sept. 2019 Opened Nakagawa C.P.A. Office, Representative (current)</p> <p>July 2020 Established ES Next Audit Corporation (currently ES Next LLC), Managing Partner (current)</p> <p>Sept. 2020 Outside Audit & Supervisory Board Member, TAUNS Laboratories, Inc. (current)</p> <p>Feb. 2022 Outside Audit & Supervisory Board Member of the Company</p> <p>Feb. 2023 Outside Director (current)</p> |
| | <p>■Overview of reasons for nomination as Outside Director and expected roles</p> <p>Ms. Nakagawa possesses a wealth of knowledge related to company audit and financial accounting through her on-the-ground experience in major audit corporations and having established audit corporations herself. In the Board of Directors, she offers appropriate and beneficial comments about the Company's management from an expert perspective. Therefore, the Company nominates her as a candidate for Outside Director with the expectation that she will contribute to the effective strengthening of decision-making functions and monitoring functions of the Board of Directors of the Company from an independent perspective in order to enhance corporate value.</p> | |

| Candidate No. | Name (Date of birth) | Background, position, responsibilities, and important concurrent positions |
|---------------|---|---|
| 10 | <p style="text-align: center;">Masaki Suzuki</p> <p>Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent <input type="checkbox"/></p> <ul style="list-style-type: none"> ●Date of birth April 18, 1955 ●Term as Director 8 months ●Status of attendance of Board of Directors meetings 14 (of 14 meetings) ●Number of Company shares held 137 shares | <p>Apr. 1978 Joined the Ministry of Finance</p> <p>July 2002 Chief of Banking Business Division I, Supervision Bureau, Financial Services Agency</p> <p>July 2005 Deputy Director-General of the Budget Bureau, Ministry of Finance</p> <p>July 2007 Deputy Vice Minister for Policy Planning and Coordination, Minister's Secretariat, Ministry of Finance</p> <p>July 2008 Deputy Director-General, Ministry of the Environment</p> <p>Sept. 2012 Director General, Ministry of the Environment</p> <p>July 2014 Administrative Vice-Minister, Ministry of the Environment</p> <p>Oct. 2015 Representative Director and Chairman, AEON Bank, Ltd.</p> <p>June 2016 Representative Director and Chairman, AEON Financial Service Co., Ltd.</p> <p>Mar. 2017 Executive Director in charge of Comprehensive Finance Business, AEON Co., Ltd.</p> <p>June 2023 Outside Director of the Company (current)</p> <p>■Overview of reasons for nomination as Outside Director and expected roles Mr. Suzuki has served in important positions in the Ministry of Finance and Financial Services Agency, so he has deep insights into financial administration as well as a wealth of management experience in business companies. In the Board of Director's meeting, he offers appropriate and beneficial comments about the Company's management from a perspective of expertise in financial administration, utilizing his experience in overall company management. Therefore, the Company nominates him as a candidate for Outside Director with the expectation that he will contribute to the effective strengthening of decision-making functions and monitoring functions of the Board of Directors of the Company from an independent perspective in order to enhance corporate value.</p> |

- (Notes) 1. There is no special interest between any of the candidates and the Company.
2. Director candidate Tsutomu Kuroki is the parent company, etc., as established in Article 2, item (iv)-2 of the Companies Act.
 3. The status of Board of Directors meeting attendance for Mr. Yoshihiro Fujii, Ms. Makiko Nakagawa, and Mr. Masaki Suzuki covers the period from when they assumed the role as Director.
 4. Mr. Nobuyasu Ogata, Mr. Yoshihiro Isaka, Ms. Makiko Nakagawa, and Mr. Masaki Suzuki are candidates for Outside Director, as established by Article 2, paragraph (3), item (vii) of the Regulations for Enforcement of the Companies Act.
 5. The Company has registered candidates for Director Mr. Nobuyasu Ogata, Mr. Yoshihiro Isaka, Ms. Makiko Nakagawa, and Mr. Masaki Suzuki as independent officers with the Tokyo Stock Exchange. If elected, they will continue to serve as independent officers.
 6. The Company has entered into an agreement with candidates for Director Mr. Nobuyasu Ogata, Mr. Yoshihiro Isaka, Ms. Makiko Nakagawa, and Mr. Masaki Suzuki, limiting their liability for damages to the amount established by laws and regulations in Article 423, paragraph (1) of the Companies Act. If elected, the Company will renew this limited liability agreement with each Director.
 7. The Company has entered an agreement for directors and officers liability insurance with an insurance company, stating the Directors of the Company as the insured parties. This insurance covers any losses incurred by insured parties in cases where they assume liability pertaining to their performance of duties or receive claims pertaining to the pursuit of such liability. If all candidates for Director are elected, the Company plans to include all of them as the insured parties in the directors and officers

liability insurance. The Company plans to renew the same policy under the same conditions in March 2024.

8. Pursuant to Article 430-2, paragraph (1) of the Companies Act, the Company has entered an agreement for compensation with each Director of the Company to compensate them for expenses or losses incurred during the performance of duties. If all candidates for Director are elected, the Company plans to renew their agreements for compensation.
9. The number of shares of Company stock owned by each candidate includes not only the amount held under the name of the Director candidate, but also the amount de facto owned through the officer stock ownership association.

(Reference) Skill matrix of Directors and Audit & Supervisory Board Members

(Notes) 1. The following is the skill matrix if Proposal No. 1 is approved as proposed.

2. Positions listed are those that will be assumed following the conclusion of this General Meeting of Shareholders if the proposal is approved as proposed.

3. The listed experience and skills are only those expected to be utilized based on each person's position.

This does not represent all of the knowledge and experience of each Director candidate.

| Name | Position | Expected skills and experience | | | | | | | | |
|------------------|--|--------------------------------|-----------------|--------------------------|-----------------|--------------------|-------------------------------|-----------------------|----------------|---|
| | | Company management | Sales/marketing | Legal affairs/compliance | Risk management | Finance/accounting | Human resources/labor affairs | IT/Digital innovation | Sustainability | Finance industry/financial administration |
| Asami Kuwabara | Outside Audit & Supervisory Board Member | | | | | ○ | | | ○ | |
| Atsuo Kurosu | Outside Audit & Supervisory Board Member | ○ | ○ | ○ | | | | | | ○ |
| Yoshitaka Ota | Audit & Supervisory Board Member | ○ | | ○ | | | | ○ | | |
| Masaki Suzuki | Outside Director | ○ | | | | ○ | | ○ | ○ | |
| Makiko Nakagawa | Outside Director | ○ | | | | ○ | | ○ | ○ | |
| Yoshihiro Isaka | Outside Director | | | | ○ | ○ | | ○ | ○ | |
| Nobuyasu Ogata | Outside Director | | | | ○ | | | ○ | | ○ |
| Yoshihiro Fujii | Director | | ○ | | | | | | | ○ |
| Takashi Kuwabara | Director | | ○ | | | | | | ○ | ○ |
| Takumi Saito | Director | ○ | | ○ | | ○ | | ○ | ○ | ○ |
| Kenji Adachi | Director | | ○ | | | | | | | ○ |
| Katsuyuki Tanaka | Senior Managing Director | | ○ | ○ | | | | ○ | | ○ |
| Tsutomu Kuroki | Representative Director and President | ○ | ○ | ○ | | ○ | | | ○ | ○ |

Determination of Remuneration to Grant Restricted Stock to Directors (Excluding Outside Directors) and Determination of Remuneration Amount for Directors

The Company was approved to set the maximum annual amount of remuneration, etc. for Directors at ¥300 million (hereinafter “Base Remuneration”) at the Ordinary General Meeting of Shareholders held on February 26, 2020 (however, this does not include employee’s salary for Directors also serving as employees.).

In this proposal, there are no changes to the Base Remuneration above. However, within the Base Remuneration, the amount for Outside Directors is set as within ¥70 million. Further, separate from the Base Remuneration above, the Company seeks the approval for payment of remuneration to grant new restricted stock to Directors (not including Outside Directors. Hereinafter “Eligible Directors”) to both incentivize the sustainable increase in company value and promote shared values between Directors and shareholders.

Based on this proposal, the remuneration to grant restricted stock to Eligible Directors would be monetary compensation claims (hereinafter “Monetary Compensation Claims”). Considering the above purpose, the amount would be no more than ¥100 million a year (however, this does not include employee’s salary for Directors also serving as employees.). Specific payment schedule and distribution to Eligible Directors will be determined in the Board of Directors meeting.

In the Board of Directors meeting held on May 14, 2021, the Company established the method to determine remuneration, etc. for individual Directors. An overview of this method is described on Page 31 of the Business Report (available in Japanese only). However, at the Board of Directors meeting held on January 15, 2024, the Company decided to change this method to fit the shape of this proposal. The Company considers this proposal to be both logical and necessary in order to grant remuneration, etc. to individual Directors corresponding with this policy. Further, as the number of shares disposed of or issued to Eligible Directors in one year comprises 0.1% or less of the total number of issued shares (as of January 14, 2024; In the case of allotting the maximum number of restricted shares), the Company considers the details of this proposal appropriate.

There are currently 10 Directors (of which, four are Outside Directors). If Proposal No.1 is approved as proposed, there will be 10 Directors (of which, four are Outside Directors).

Further, based on the Board of Directors meeting decision, Eligible Directors will pay in-kind contributions to the Company for all of the Monetary Compensation Claims that occur due to this proposal, and common shares of Company stock will be issued or disposed of. Through this process, the total number of common shares of Company stock issued or disposed of will be no more than 20,000 shares a year. However, when it is necessary to make adjustments to the number of shares, such as in a stock split (including stock allotment without contribution) or stock merger of common shares of Company stock, it is possible to reasonably adjust the number of shares issued or disposed of.

Based on the closing price of common shares of Company stock on the Tokyo Stock Exchange the business day prior to the day of each Board of Directors meeting (if no exchange transactions made this day, use the closing price of the closest day in which transactions were made before this), the amount paid per share shall be determined in the Board of Directors meeting, within the scope that does not unfairly benefit the Eligible Directors receiving the common shares.

Upon issuance or disposal of common shares of Company stock based on this system, the Company and Eligible Directors shall enter into a restricted stock allotment agreement (hereinafter "Allotment Agreement") that includes the following details.

(1) Transfer restriction period

The Eligible Directors may not transfer, create a security interest in, or otherwise dispose of the common shares of Company stock (hereinafter "Transfer Restriction") allotted through this Allotment Agreement (hereinafter "Allotted Shares") for a period (hereinafter "Transfer Restriction Period") between the payment date and the day the Eligible Director resigns or retires from a position of Director, Audit & Supervisory Board Member, Operating Officer, or employee of the Company or Company subsidiaries (does not include position as employee through re-employment after Eligible Director retires due to mandatory retirement; hereinafter "Position, etc."). This excludes cases when the Eligible Director assumes a Position, etc. at the Company or subsidiary of the Company simultaneously when resigning or retiring.

(2) Removal of Transfer Restriction

The Company shall remove the Transfer Restriction on all Allotted Shares at the conclusion of Transfer Restriction Period if the Eligible Director has remained in the position of Director of the Company continuously after the start of the Transfer Restriction Period to the date of the first arriving Ordinary General Meeting of Shareholders of the Company (hereinafter "Service Rendering Period"). However, if the Eligible Director resigns from the position of Director of the Company due to death or another reason deemed reasonable by the Board of Directors of the Company during the Service Rendering Period, the Company may, as needed, logically adjust the time period to remove the Transfer Restrictions as well as the number of Allotted Shares subject to Transfer Restriction removal.

(3) Acquisition of restricted stock without contribution

At the time of the conclusion of the Transfer Restriction Period, the Company may acquire all of the shares that have not been subject to Transfer Restriction removal without any contribution.

(4) Handling of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, when a merger agreement in which the Company will become the non-surviving company, a share exchange agreement or a share transfer plan in which the Company will become a wholly owned subsidiary, or other matter

concerning organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or the Board of Directors of the Company, if there is no need to obtain approval at the General Meeting of Shareholders for the organizational restructuring, etc.) during the Transfer Restriction Period, the Company shall remove Transfer Restrictions for a logically determined number of Allotted Shares based on the start date of the Transfer Restriction Period and the approval date of the relevant restructuring ahead of the effective date of this restructuring, etc. In the case established above, the Company shall acquire without contribution the Allotted Shares for which the Transfer Restriction is not lifted immediately after the Transfer Restriction was removed.

(5) Other matters

Other matters concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

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