

[Paper-based documents for delivery]

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To our shareholders:

Yoshifumi Sato

Representative Director and President

**ARCLANDS CORPORATION**

445 Kamisugoro, Sanjo, Niigata Prefecture

## **NOTICE OF THE 57TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially notified of the 57th Ordinary General Meeting of Shareholders of ARCLANDS CORPORATION (the “Company”), which will be held as described below.

**You may exercise your voting rights in writing by postal mail or via the Internet, instead of attending the meeting in person. Please review the reference documents for the General Meeting of Shareholders and refer to the Introduction on Voting Rights described below (in Japanese only) and return the voting form via postal mail or exercise your voting rights via the Internet so that your voting form or electromagnetic vote will reach us by no later than 6 p.m. on Wednesday, May 27, 2026 (Japan Standard Time).**

**When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents in electronic format (items for which the measures for providing in electronic format will be taken) and posts this information on the Company’s website. Please access the Company’s website using the Internet address shown below to review the information.**

**The Company’s website:** <https://www.arclands.co.jp/ja/ir/news.html> (in Japanese)

Items for which the measures for providing in electronic format will be taken are posted on Tokyo Stock Exchange’s (TSE’s) and the Company’s website as shown below.

**TSE’s website (Listed Company Search):**

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

(Access the TSE website by using the internet address shown above, enter “ARCLANDS” in “Issue name (company name)” or the Company’s securities code “9842” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

### **Meeting Details**

- 1. Date and time:** Thursday, May 28, 2026 at 10:00 a.m. (Japan Standard Time)  
(Registration will start at 9:00 a.m.)
- 2. Venue:** Fifth-floor Hall, the Company Headquarters  
445 Kamisugoro, Sanjo, Niigata Prefecture

### **3. Purposes:**

#### **Items to be reported:**

1. Business report and consolidated financial statements for the 57th Term (from March 1, 2025 to February 28, 2026), as well as the results of audit of the consolidated financial statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 57th Term (from March 1, 2025 to February 28, 2026)

#### **Items to be resolved:**

- Proposal 1** Appropriation of surplus

- Proposal 2** Election of six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 3** Election of three (3) Directors who are Audit and Supervisory Committee Members
- Proposal 4** Election of one (1) substitute Director who is an Audit and Supervisory Committee Member

#### 4. Introduction on voting rights

- If you exercise your voting rights via the Internet multiple times, only the last vote shall be deemed effective.
  - If you exercise your voting rights both in writing and via the Internet, we will treat the exercise of your voting rights via the Internet as valid, irrespective of the arrival date and time.
  - In the event that there is no indication of approval or disapproval of proposal when voting rights are exercised in writing by postal mail, it shall be deemed that you have indicated your approval.
  - Please also refer to the Introduction on Voting Rights described below (in Japanese only).
- ◎ If you attend the meeting in person, please carry the voting form and submit it at the reception desk at the venue.
- ◎ If revisions to the items for which the measures for providing in electronic format will be taken arise, a notice of the revisions and details of the items before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
- ◎ Shareholders who have not requested delivery of paper-based documents will receive this Notice and Reference Documents for the General Meeting of Shareholders.
- ◎ Paper-based documents stating the items subject to measures for electronic provision are sent to shareholders who have made a request for delivery of paper-based documents, however those documents do not include the following items in accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation.
- 1) Overview of the system to ensure the properness of operations and operational status of such system contained in the business report
  - 2) Consolidated statements of changes in equity and Notes to consolidated financial statements
  - 3) Non-consolidated statements of changes in equity and Notes to non-consolidated financial statements
- Accordingly, the business report, the consolidated financial statements and non-consolidated financial statements contained herein are part of the documents audited by the Accounting Auditor and the Audit and Supervisory Committee during the preparation of the Accounting Auditor's Report and the Audit Report, respectively.
- ◎ The results of resolutions at this General Meeting of Shareholders will be posted on the Company's aforementioned website, instead of postal mail as in the past.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1 Appropriation of surplus

The Company will place emphasis on the stable provision of dividends over the long term, and it will return profits to shareholders while considering the level of profits and dividend payout ratio guidelines and maintaining a balance with internal reserves for improving corporate value.

The Company proposes the year-end dividend for the 57th period and the appropriation of surplus as follows:

1. Year-end dividends
  - (i) Type of dividend property  
Cash
  - (ii) Allotment of dividend property and their aggregate amount  
¥20 per common share of the Company  
Total payment: ¥1,256,460,360  
As the Company has already paid an interim dividend of ¥20 per share, the annual dividend for the fiscal year will be ¥40 per share.
  - (iii) Effective date of dividends of surplus  
May 29, 2026
2. Other appropriation of surplus
  - (i) Item of surplus to be decreased and amount of decrease  
Retained earnings brought forward: ¥5,000,000,000
  - (ii) Item of surplus to be increased and amount of increase  
General reserve: ¥5,000,000,000

**Proposal 2** Election of six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members)

At the conclusion of this General Meeting of Shareholders, the terms of office of all six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire. Therefore, the Company proposes the election of six (6) Directors.

Regarding this proposal, there is no particular comment from the Audit and Supervisory Committee.

The candidates for Director are as follows:

Candidate No.		Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	<b>Reelection</b>	Haruhiko Sakamoto	Representative Director, Chairman, and CEO	13/13 (100.0%)
2	<b>Reelection</b>	Yoshifumi Sato	Representative Director, President, COO, and General Manager of Sales Headquarters	13/13 (100.0%)
3	<b>Reelection</b>	Hiroyuki Hoshino	Senior Managing Director, General Manager of Store Development Headquarters and Food Business Headquarters	13/13 (100.0%)
4	<b>Reelection</b>	Toshiyuki Suto	Managing Director, General Manager of Product Headquarters	13/13 (100.0%)
5	<b>Reelection</b>	Kimitoshi Ino	Director, General Manager of Administration Headquarters	13/13 (100.0%)
6	<b>Reelection</b>	Moritaka Sakamoto	Director	10/10 (100.0%)

**Reelection** Candidate for Director to be reelected

- (Notes)
1. The positions and responsibilities of the above candidates for Director in the Company are as of the date of the General Meeting of Shareholders.
  2. The attendance of Moritaka Sakamoto reflects his attendance since his appointment as Director on May 29, 2025.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Haruhiko Sakamoto (May 4, 1976) <b>Reelection</b>	<p>Feb. 2003      Joined the Company</p> <p>Feb. 2012      General Manager of Product Department, Home Center Headquarters</p> <p>Feb. 2014      Executive Officer, General Manager of Product Department 3, Home Center Headquarters</p> <p>June 2020      President, Executive Officer, and COO</p> <p>Apr. 2021      Representative Director, President, and CEO of VIVA HOME CORPORATION (currently ARCLANDS CORPORATION)</p> <p>May 2021      Representative Director, President, and COO of the Company</p> <p>Mar. 2025      Representative Director, Chairman, and CEO (current position)</p> <p>June 2025      Representative Director, Chairman, and CEO of Pets-first Holdings CO., Ltd. (current position)</p>	1,251,024 shares
2	Yoshifumi Sato (October 14, 1973) <b>Reelection</b>	<p>July 2001      Joined Smile Honda Co., Ltd. (currently JOYFUL HONDA CO., LTD.)</p> <p>Nov. 2018      Joined HONDA CO., LTD.</p> <p>Sept. 2020      Joined Arc Style Inc. (currently Arc Home Corporation)</p> <p>Dec. 2020      Representative Director and President</p> <p>Apr. 2021      Executive Officer, General Manager of Reform Business Management Department of VIVA HOME CORPORATION (currently ARCLANDS CORPORATION)</p> <p>Sept. 2022      Executive Officer, President of Reform Company of the Company</p> <p>Dec. 2022      Executive Officer, General Manager of Home Center Business Department</p> <p>May 2023      Director, General Manager of Home Center Business Department</p> <p>Mar. 2025      Representative Director, President, and COO of the Company</p> <p>Mar. 2026      Representative Director, President, COO, and General Manager of Sales Headquarters (current position)</p>	- shares
3	Hiroyuki Hoshino (November 1, 1970) <b>Reelection</b>	<p>Apr. 1994      Joined the Company</p> <p>Feb. 2007      Deputy General Manager of Development Department</p> <p>Feb. 2011      General Manager of Development Department</p> <p>May 2013      Director, General Manager of Development Department</p> <p>Feb. 2018      Managing Director, General Manager of Development Department</p> <p>Apr. 2021      Managing Director of VIVA HOME CORPORATION (currently ARCLANDS CORPORATION)</p> <p>Sept. 2022      Managing Director, General Manager of Store Development Headquarters of the Company</p> <p>Mar. 2023      Senior Managing Director, General Manager of Store Development Headquarters</p> <p>Nov. 2024      Senior Managing Director, General Manager of Store Development Headquarters and Food Business Headquarters (current position)</p>	8,200 shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Toshiyuki Suto (April 16, 1971) <b>Reelection</b>	<p>Apr. 1995      Joined the Company</p> <p>Feb. 2013      Deputy General Manager of Store Operation Department, Home Center Headquarters</p> <p>Aug. 2013      Deputy General Manager of Product Department 1, Home Center Headquarters</p> <p>Aug. 2016      General Manager of Kansai Headquarters of Arc Style Inc. (currently Arc Home Corporation) (seconded)</p> <p>Feb. 2017      Representative Director and President (employment transfer)</p> <p>Dec. 2020      Executive Officer, General Manager of Product Department, Home Center Headquarters of the Company (employment transfer)</p> <p>May 2021      Director and General Manager of Home Center Management Department</p> <p>Mar. 2022      General Manager of Product Management Department of VIVA HOME CORPORATION (currently ARCLANDS CORPORATION)</p> <p>Sept. 2022      Director, General Manager of Product Management Department of the Company</p> <p>Dec. 2022      Director, General Manager of Sales Headquarters and Product Management Department</p> <p>Mar. 2023      Managing Director, General Manager of Sales Headquarters and Product Management Department</p> <p>Mar. 2025      Managing Director, General Manager of Sales Headquarters, Home Center Business Department, and Product Management Department</p> <p>Mar. 2026      Managing Director, General Manager of Product Headquarters (current position)</p>	9,300 shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Kimitoshi Ino (May 13, 1972) <b>Reelection</b>	<p>Apr. 1995      Joined The Daiei, Inc.</p> <p>Sept. 2015     Joined ORENO Corporation</p> <p>Jan. 2016      Director in charge of Management Department</p> <p>July 2016      Managing Director in charge of Management Department</p> <p>July 2017      Joined LIXIL VIVA CORPORATION (currently ARCLANDS CORPORATION); General Manager as Assistant to President</p> <p>Mar. 2018      General Manager of Corporate Strategy Planning Office</p> <p>June 2020      Executive Officer, General Manager of Corporate Strategy Planning Office</p> <p>Sept. 2022     Executive Officer, General Manager of Corporate Planning Department of the Company</p> <p>Dec. 2022      Executive Officer, General Manager of Administration Headquarters and Corporate Planning Department</p> <p>May 2023      Director, General Manager of Administration Headquarters and Corporate Planning Department</p> <p>Sept. 2023     Director, General Manager of Administration Headquarters, Corporate Planning Department, and Accounting Department</p> <p>Sept. 2025     Director, General Manager of Administration Headquarters and Corporate Planning Department</p> <p>Nov. 2025     Director, General Manager of Administration Headquarters (current position)</p>	200 shares
6	Moritaka Sakamoto (March 13, 1985) <b>Reelection</b>	<p>Apr. 2007      Joined Okasan Securities Co., Ltd.</p> <p>Sept. 2010     Joined ARCLAND SERVICE CO., LTD. (currently ARCLAND SERVICE HOLDINGS CO., LTD.)</p> <p>Oct. 2018      Representative Director and President of EVER ACTION CO., LTD.</p> <p>Nov. 2018      Director of ARCLAND SERVICE HOLDINGS CO., LTD.</p> <p>Mar. 2021      Representative Director and President (current position)</p> <p>July 2021      Representative Director of ARCLAND MARUHA MEAT CO., LTD. (current position)</p> <p>Representative Director of COSMIC SY CO., LTD. (current position)</p> <p>Representative Director of ARCLAND SERVICE INTERNATIONAL CO., LIMITED</p> <p>Representative Director of ARCLAND SERVICE KOREA CO., LTD. (current position)</p> <p>Apr. 2022      Representative Director and President of BACKPACKERS CO., LTD. (current position)</p> <p>May 2025      Director of the Company (current position)</p>	704,224 shares

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
  2. "Number of the Company's shares owned" is current as of February 28, 2026.
  3. Reasons for the election of each candidate for Director are as follows:

- (1) After joining the Company in 2003, Haruhiko Sakamoto served as the General Manager of the Product Department and then General Manager of Product Department 3. He was appointed as President, Executive Officer, and COO of the Company in June 2020, as Representative Director, President and CEO of VIVA HOME CORPORATION (currently ARCLANDS CORPORATION) in April 2021, as Representative Director, President, and COO of the Company in May 2021, and as Representative Director, Chairman, and CEO of the Company in March 2025. His strong leadership was instrumental in making Pets-first Holdings CO., Ltd. a wholly-owned subsidiary. In June 2025, he was appointed as Representative Director, Chairman, and CEO of that company, and he has taken a multifaceted approach to various management challenges. For these reasons, he has again been nominated as a candidate for Director.
  - (2) Yoshifumi Sato, who has abundant experience in the sales division, took office as Representative Director and President of Arc Style Inc. (currently Arc Home Corporation), a subsidiary of the Company, in 2020 and greatly contributed to its business expansion. Since December 2022, he has served as General Manager of Home Center Business Department of the Company, and he was appointed as Representative Director, President, and COO of the Company in March 2025. Based on his abundant experience in the home center business and the renovation business, and his strong leadership, he has demonstrated his capability of acting decisively and exercising leadership in addressing various challenges. For these reasons, he has again been nominated as a candidate for Director.
  - (3) Since joining the Company in 1994, Hiroyuki Hoshino worked in the home center business and the store development business. He has been engaged in operations relating to store development since May 2013, when he was appointed as Director. Furthermore, since November 2024, he has been serving as General Manager of Food Business Headquarters, contributing to the growth of our food supermarkets. He has fully demonstrated his operational experience in the home center business and ample knowledge of development operations and business management. For these reasons, he has again been nominated as a candidate for Director.
  - (4) Toshiyuki Suto joined the Company in 1995. After serving as Deputy General Manager of Store Operation Department and Deputy General Manager of Product Department 1, he was appointed as Representative Director and President of Arc Style Inc. (currently Arc Home Corporation) in February 2017 and involved in the company's management. He took office as Executive Officer and General Manager of Product Department of the Company in December 2020 and has served as Director of the Company since May 2021. He concurrently served as General Manager of Home Center Business Department in March 2025, and since March 2026, he has served as General Manager of Product Headquarters. Due to his abundant operational experience in the retail business including the home center business and the renovation business as well as knowledge of business management, he has again been nominated as a candidate for Director.
  - (5) Kimitoshi Ino has abundant experience in the retail business as well as corporate management as a director. Since 2018, he has served as various positions including General Manager of Corporate Strategy Planning Office of LIXIL VIVA CORPORATION (currently ARCLANDS CORPORATION) and General Manager of Corporate Planning Department of the Company, and he has served as Director of the Company since May 2023. He has continued to engage in management growth strategies for the Company's sustainable growth and improvement of its corporate value. For these reasons, he has again been nominated as a candidate for Director.
  - (6) After joining ARCLAND SERVICE CO., LTD. (currently ARCLAND SERVICE HOLDINGS CO., LTD.) in 2010, Moritaka Sakamoto served in departments including the Sales Department, Location Development Department, and Product Department, and was also involved in establishing the Karayama business. He was appointed as Representative Director and President in March 2021 and also serves concurrently as Representative Director of its subsidiaries among other roles. In these roles, he has fully demonstrated leadership and he possesses abundant insight regarding corporate management. For these reasons, he has again been nominated as a candidate for Director. If candidate for Director Moritaka Sakamoto is elected, the Company plans to designate him as a non-executive director.
4. The Company has entered into a directors' and officers' liability insurance ("D&O insurance") policy with an insurance company. Each of the candidates shall be named as an insured in said policy. Regarding the overview of the contents and other information of the D&O insurance policy, please refer to "2. Status of the Company; (3) Status of the Directors; (iii) Directors' and Officers' Liability Insurance, etc." (Japanese only) described in the Business Report. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

**Proposal 3** Election of three (3) Directors who are Audit and Supervisory Committee Members

At the conclusion of this General Meeting of Shareholders, the terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire. Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

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

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	<b>Reelection</b> Outside Independent Masayuki Atsumi	Outside Director (Audit and Supervisory Committee Member)	11/13 (84.6%)
2	<b>Reelection</b> Outside Independent Reiko Iwasaki	Outside Director (Audit and Supervisory Committee Member)	12/13 (92.3%)
3	<b>Reelection</b> Outside Independent Yuuta Okuya	Outside Director (Audit and Supervisory Committee Member)	13/13 (100%)

**Reelection** Candidate for Director to be reelected

Outside Candidate for outside Director

Independent Candidate for independent officer

(Note) The positions and responsibilities of the above candidates for Director in the Company are as of the date of the General Meeting of Shareholders.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Masayuki Atsumi (December 14, 1981) <b>Reelection</b> <b>Outside</b> <b>Independent</b>	<p>Apr. 2006      Joined General Secretariat of Fair Trade Commission</p> <p>Dec. 2009      Registered as an attorney at law</p> <p>Jan. 2010      Lawyer at Mori, Hamada &amp; Matsumoto</p> <p>Aug. 2015      Covington &amp; Burling LLP</p> <p>Jan. 2016      Registered as an attorney of New York State</p> <p>June 2016      U.S. Federal Trade Commission</p> <p>Sept. 2017      Registered as an attorney of the United Kingdom</p> <p>Oct. 2017      General Manager of Compliance Research Department of LIXIL Corporation</p> <p>Jan. 2019      Lawyer at Miura&amp;Partners (current position)</p> <p>Sept. 2019      Part-time Lecturer of Graduate School of Law, Kobe University</p> <p>May 2022      Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>June 2023      Outside Audit and Supervisory Board Member of TOKAI Holdings Corporation (current position)</p>	- shares
2	Reiko Iwasaki (October 25, 1965) <b>Reelection</b> <b>Outside</b> <b>Independent</b>	<p>Apr. 1989      Joined Toppan Printing Co., Ltd. (currently TOPPAN Holdings Inc.)</p> <p>Apr. 2002      Executive Director of Toppan Mind Wellness Co., Ltd. (currently TOPPAN Holdings Inc.)</p> <p>Jan. 2014      Representative Director</p> <p>Apr. 2022      Started human resource development consulting business as a sole proprietor</p> <p>June 2023      Outside Director of Advanex Inc.</p> <p>May 2024      Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>Aug. 2024      Representative Director of For SDGs Inc. (current position)</p> <p>June 2025      Outside Director (Audit and Supervisory Committee Member) of NISHIKAWA RUBBER CO., LTD. (current position) Outside Director of NICHIAS Corporation (current position)</p>	- shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Yuuta Okuya (August 11, 1958) <b>Reelection</b> <b>Outside</b> <b>Independent</b>	<p>Apr. 1981      Joined Kahma Co., Ltd. (currently DCM Co., Ltd.)</p> <p>June 2006      Director, General Manager of System and Logistics Management Department</p> <p>Mar. 2011      Executive Officer, General Manager of Logistics and DB Management Department of DCM Holdings Co., Ltd. (Seconded), and Director of Kahma Co., Ltd. (currently DCM Co., Ltd.)</p> <p>Mar. 2012      Executive Officer, General Manager of Systems Management Department, and Director of Kahma Co., Ltd. (currently DCM Co., Ltd.)</p> <p>Mar. 2016      Executive Officer, General Manager of System and Logistics Management Department, and Director of DCM Kahma Co., Ltd. (currently DCM Co., Ltd.)</p> <p>June 2019      Executive Officer, General Manager of System and Logistics Management Department, and Director (with Managing-Director status) of DCM Kahma Co., Ltd. (currently DCM Co., Ltd.)</p> <p>Mar. 2021      In charge of special mission of DCM Co., Ltd.</p> <p>July 2022      Representative of Office OKY (current position)</p> <p>May 2024      Director (Audit and Supervisory Committee Member) of the Company (current position)</p>	- shares

- Notes:
- There is no special interest between any of the candidates and the Company.
  - Masayuki Atsumi, Reiko Iwasaki and Yuuta Okuya are candidates for outside Director.
  - Masayuki Atsumi, Reiko Iwasaki and Yuuta Okuya are currently outside Directors who are Audit and Supervisory Committee Members of the Company, and at the conclusion of this meeting, Mr. Atsumi's tenure will have been four years, and both Ms. Iwasaki's and Mr. Okuya's tenure will have been two years.
  - Reasons for the election of each candidate for Director and the expected roles of outside Directors are as follows:
    - Masayuki Atsumi has never been involved in the management of a company except as an outside officer. However, he has abundant operational experience as a lawyer in his areas of expertise, which are the Anti-Monopoly Act and government relations, backed by a spirit of high legal compliance. The Company expects that he will audit and oversee the Directors' execution of duties from an objective and fair standpoint based on his strong insight, as well as strengthen the Company's risk management and compliance systems. For these reasons, he has again been nominated as a candidate for outside Director who is an Audit and Supervisory Committee Member.
    - Reiko Iwasaki is well versed in human resources and diversity, provides consultation on topics including organizational revitalization and next-generation leader development, and has ample knowledge as a corporate manager. The Company expects that she will appropriately audit and oversee the Board of Directors of the Company based on an objective viewpoint, and that she will have an effect on our employees' work styles and women's career development. For these reasons, she has again been nominated as a candidate for outside Director who is an Audit and Supervisory Committee Member.
    - Yuuta Okuya has been working on the optimization of logistics and systems as a corporate manager in the home center business for many years. Based on his abundant experience and insight into management, the Company expects that he will play a sufficient role in decision-making regarding important management matters and supervision of business execution as an Audit and Supervisory Committee Member, as well as provide advice for the promotion of logistics reform. For these reasons, he has again been nominated as a candidate for outside Director who is an Audit and Supervisory Committee Member.
  - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Masayuki Atsumi, Reiko Iwasaki and Yuuta Okuya to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the amount of liability for damages based on the agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. If their election is approved, the Company plans to renew the aforementioned agreement with them.
  - The Company has entered into a directors' and officers' liability insurance ("D&O insurance") policy with an insurance company. Each of the candidates shall be named as an insured in said policy. Regarding the overview of the contents and

other information of the D&O insurance policy, please refer to “2. Status of the Company; (3) Status of the Directors; (iii) Directors’ and Officers’ Liability Insurance, etc.” (Japanese only) described in the Business Report. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

7. The Company has submitted notification to the Tokyo Stock Exchange that Masayuki Atsumi, Reiko Iwasaki and Yuuta Okuya have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their designation as independent officers to continue.

(Reference) Skill matrix of the Directors after the conclusion of the General Meeting of Shareholders

If Proposal 2 and Proposal 3 are approved at the General Meeting of Shareholders as originally proposed, the candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) and the candidates for Director who is an Audit and Supervisory Committee Member are expected to bring their professional expertise and provide contribution, particularly in the following areas:

Name	Position in the Company	Areas of major professional experience/ Areas where major contributions are expected							
		Corporate management	Industry experience	Financial accounting /M&A	Legal affairs	Marketing	IT/DX	Personnel and diversity	ESG
Haruhiko Sakamoto	Representative Director, Chairman	●	●				●	●	●
Yoshifumi Sato	Representative Director and President	●	●			●	●	●	
Hiroyuki Hoshino	Senior Managing Director	●	●	●					●
Toshiyuki Suto	Managing Director	●	●			●	●		
Kimitoshi Ino	Director			●	●			●	●
Moritaka Sakamoto	Director	●				●	●	●	
Masayuki Atsumi	Outside Director Audit and Supervisory Committee Member			●	●			●	●
Reiko Iwasaki	Outside Director Audit and Supervisory Committee Member	●				●		●	●
Yuuta Okuya	Outside Director Audit and Supervisory Committee Member	●	●				●		●

**Proposal 4** Election of one (1) substitute Director who is an Audit and Supervisory Committee Member

The Company proposes the election of one (1) substitute Director who is an Audit and Supervisory Committee Member in advance to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

In addition, the consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal. The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Motoo Fujimaki (January 1, 1946)	Apr. 1972 Registered as an attorney at law Lawyer at Katagiri Keiichi Law Office	- shares
	Apr. 1975 Lawyer at Fujimaki Motoo Law Office (current position)	
	Apr. 1993 Chairman of Niigata Bar Association	
	May 2002 Outside Audit & Supervisory Board Member of Shiun Golf Club Co., Ltd.	
	Nov. 2010 Outside Audit & Supervisory Board Member of Green One Co., Ltd.	
	July 2017 Director of Social Welfare Corporation Jyouyoukai (current position)	
	Dec. 2018 Outside Audit & Supervisory Board Member of Kyowa Industrial Co., Ltd.	
Mar. 2022 Director of General Incorporated Association Honma Scholarship Foundation (current position)		

- Notes:
1. The Company has entered into a legal advisory contract with Fujimaki Motoo Law Office represented by Motoo Fujimaki. However, as the amount of annual advisory fee paid to the office is less than ¥2 million, the Company has determined that his independence is sufficiently ensured.
  2. Motoo Fujimaki is a candidate for substitute outside Director.
  3. The Company has nominated Motoo Fujimaki as a candidate for substitute outside Director because he has in-depth insights into corporate legal affairs from a professional perspective as a lawyer. The overview of his expected role is that he can provide oversight, advice, etc. related to the execution of duties of Directors from an independent standpoint based on this expertise and insight. Mr. Fujimaki has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.
  4. If Motoo Fujimaki assumes position as an outside Director, the Company plans to enter into an agreement to limit his liability under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
  5. The Company has entered into a directors' and officers' liability insurance ("D&O insurance") policy with an insurance company. If Motoo Fujimaki assumes position as a Director who is an Audit and Supervisory Committee Member, he will be included in the insured. Regarding the overview of the contents and other information of the D&O insurance policy, please refer to "2. Status of the Company; (3) Status of the Directors; (iii) Directors' and Officers' Liability Insurance, etc." (Japanese only) described in the Business Report.
  6. If Motoo Fujimaki assumes position as an outside Director, the Company has submitted notification to the Tokyo Stock Exchange that he has been designated as an independent officer as provided for by the aforementioned exchange.