Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Stock Code: 3284
June 7, 2021

To Our Shareholders

Tetsuya Hirooka
CEO and President
Hoosiers Holdings
2-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo

Notice of the 8th Annual Meeting of Shareholders

We are pleased to announce that the 8th Annual Meeting of Shareholders of Hoosiers Holdings ("the Company") will be held as described below.

As with the previous year, as the COVID-19 pandemic persists, after carefully studying the situation, we have decided to hold the Annual Meeting of Shareholders while taking appropriate measures to prevent infection.

Given these circumstances, from the perspective of preventing the spread of infection, you are strongly encouraged to exercise your voting rights prior to the Annual Meeting of Shareholders in writing or by using the Internet, etc., if at all possible. Regardless of your own state of health, you are strongly urged to refrain from traveling to the venue on the date of the meeting.

Please review the attached Reference Documents for the Annual Meeting of Shareholders, and exercise your voting rights by 6:00 p.m. on Thursday, June 24, 2021 (JST).

1. **Date and Time:** Friday, June 25, 2021, 10:00 a.m. (The reception desk will open at 9:30 a.m.)

2. **Venue:** Conference Square M-Plus Grand, 10th Floor, Mitsubishi Building, 5-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo

   This year, we will again space the chairs widely apart to prevent the infection of COVID-19, and as with the previous year, the number of seats available will be drastically reduced. As a result, it is possible that not everyone who comes to the meeting will be able to enter the venue. We appreciate your understanding.

3. **Objectives of Meeting**

   Matters to be reported:
   1. Report of the Business Report, the Consolidated Financial Statements, and Audit Reports of the Accounting Auditor and the Board of Auditors for the Consolidated Financial Statements for the 8th Fiscal Year (from April 1, 2020 to March 31, 2021)
   2. Report of the Non-consolidated Financial Statements for the 8th Fiscal Year (from April 1, 2020 to March 31, 2021)

   Matters to be resolved:

   Proposal 1: Reduction in Share Capital (Capital Reduction)
   Proposal 2: Appropriation of Surplus
   Proposal 3: Partial Amendments to the Articles of Incorporation
   Proposal 4: Election of Six (6) Directors
   Proposal 5: Election of Four (4) Auditors
   Proposal 6: Election of One (1) Substitute Auditor
   Proposal 7: Partial Amendment to the Performance-linked Stock Compensation Plan for Directors

- When attending the meeting in person, please hand in the enclosed voting form at the reception desk at the meeting venue. Also, please be sure to bring this notice to the meeting for use as a meeting agenda.

- Please understand that the Company's attendees will be lightly dressed (in Cool Biz) for power saving.
- Of the documents to be provided with this convocation notice, the Notes to the Consolidated Financial Statements and the Notes to the Non-consolidated Financial Statements are posted on the Company's website and therefore are not attached to this convocation notice in accordance with laws and regulations, and Article 13 of the Company's Articles of Incorporation. The Consolidated Financial Statements and the Non-consolidated Financial Statements audited by Auditors and Accounting Auditor incorporate the Notes to the Consolidated Financial Statements and the Notes to the Non-consolidated Financial Statements posted on the Company's website.
- If it is necessary to revise any information in the Reference Documents for the Annual Meeting of Shareholders, the Business Report, and/or the Consolidated and the Non-consolidated Financial Statements, revised information will be posted on the Company's website.

The Company's website (https://www.hoosiers.co.jp/)

Reference Documents for the Annual Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Reduction in Share Capital (Capital Reduction)

The Company proposed to reduce the amount of stated capital pursuant to Article 447, paragraph (1) of the Companies Act to achieve flexibility and agility of our capital policy. As an amount equivalent to the reduced amount will be recorded in other capital surplus, there will be no change to the total number of issued shares or the amount of net assets, and there will be no impact on the number of shares held by shareholders or on net assets per share.

(1) Amount of reduction in stated capital

The amount of stated capital of ¥15,882,597,835 will be reduced by ¥10,882,597,835 to ¥5,000,000,000.

(2) Method of capital reduction

The amount by which share capital is reduced will be transferred to other capital surplus in full.

(3) Effective date of the reduction in the amount of stated capital

June 28, 2021

Proposal 2: Appropriation of Surplus

The Company proposes year-end dividends for the 8th Fiscal Year as follows, comprehensively taking into consideration the performance in the current fiscal year, our business environments in the future, internal reserves for continuous growth of our business, and other factors.

(1) Type of dividend property

To be paid in cash

(2) Items on allocation of dividend property to shareholders and its total amount

18 yen per common share of the Company

Total **644,216,634 yen**

(Reference)

The annual amount of dividends including interim dividends is 24 yen per share.

(3) Effective date of dividends of surplus

June 28, 2021

Proposal 3: Partial Amendments to the Articles of Incorporation

To provide flexibility to the operation of the General Meeting of Shareholders and the Board of Directors meetings, the Company proposes to change the person with the authority to convene General Meetings of Shareholder and Board of Directors meetings specified in Articles 12 and 22 of the current Articles of Incorporation to a Director respectively prescribed in advance by the Board of Directors.

Description of the changes is as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
Article 12 (Person with authority to convene and chairperson)	Article 12 (Persons with authority to convene and chairperson)
Unless otherwise provided for in laws and regulations, General Meetings of Shareholders shall be convened by the CEO and President, who shall be the chairperson, in accordance with a resolution of the Board of Directors. In cases where the CEO and President is prevented from so acting, this shall shift to another Director in an order prescribed by the Board of Directors in advance.	1 Except as otherwise provided in laws and regulations, General Meetings of Shareholders shall be convened by a Director selected in advance by the Board of Directors. In cases where such Director is prevented from so acting, another Director, in accordance with an order prescribed by the Board of Directors in advance, shall convene the General Meeting of Shareholders.
(Newly established)	2 Except as otherwise provided in laws and regulations, a Director selected in advance by the Board of Directors shall be the chairperson at the General Meeting of Shareholders. In cases where such Director is prevented from so acting, another Director, in accordance with an order prescribed by the Board of Directors in advance, shall be the chairperson.
Article 22 (Person with authority to convene the Board of Directors and chairperson)	Article 22 (Person with authority to convene the Board of Directors and chairperson)
Unless otherwise provided for in laws and regulations, Board of Directors shall be convened by the CEO and President, who shall be the chairperson. In cases where the CEO and President is prevented from so acting, this shall shift to another Director in an order prescribed by the Board of Directors in advance.	1 Except as otherwise provided in laws and regulations, Board of Directors shall be convened by a Director selected in advance by the Board of Directors. In cases where such Director is prevented from so acting, another Director, in accordance with an order prescribed by the Board of Directors in advance, shall convene the Board of Directors.
(Newly established)	2 Except as otherwise provided in laws and regulations, a Director selected in advance by the Board of Directors shall be the chairperson at the Board of Directors meeting. In cases where such Director is prevented from so acting, another Director, in accordance with an order prescribed by the Board of Directors in advance, shall be the chairperson.

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal 4: Election of Six (6) Directors

As the term of office for all of the current seven (7) Directors will expire at the conclusion of this Annual Meeting of Shareholders, the Company requests the election of six (6) Directors (including three (3) outside Directors).

The candidates for Directors are as follows.

Candidate No.	Name		Current position at the Company	Number of the Board of Directors meetings attended
1	Re-election	Tetsuya Hirooka	CEO and President	100% (14/14)
2	Re-election	Tsutomu Ikuma	Senior Managing Director	100% (14/14)
3	Re-election	Eiichi Ogawa	Director	100% (14/14)
4	Re-election Outside Independent	Yoshinori Watanabe	Outside Director	100% (14/14)
5	Re-election Outside Independent	Masatoshi An	Outside Director	100% (14/14)
6	Re-election Outside Independent	Shoji Tsuboyama	Outside Director	100% (11/11) (After assuming office)

[Reference]

Areas of Expertise and Experience of Director Candidates (Skill Matrix)

The following shows what the composition of the Board of Directors will look like and what will be its members' areas of expertise and experience if Proposal 4 is approved and adopted as originally proposed.

				Areas of expertise and experience							
Candidate No.	Name	Outside	Indepen-dent	Manage-ment strategy/ Corporate manage-ment	Finance and accounting /Capital strategy	Human resource and develop-ment	Sales/ Marketing	Legal affairs/ Risk management	Internal control/ Governance	Global	Quality manage-ment
1	Tetsuya Hirooka			✓	✓	✓	✓			✓	✓
2	Tsutomu Ikuma			✓	✓			✓	✓	✓	
3	Eiichi Ogawa			✓		✓	✓				✓
4	Yoshinori Watanabe	✓	✓	✓		✓		✓			✓
5	Masatoshi An	✓	✓	✓		✓			✓		✓
6	Shoji Tsuboyama	✓	✓	✓	✓		✓			✓	

Candidate No.	Name (date of birth)	Brief profile, position, responsibility, and significant concurrent positions		Number of the Company's shares owned
1 Re-election	Tetsuya Hirooka (June 25, 1963) Fiscal 2020 <Attendance at the Board of Directors meetings> 14/14 100%	Apr. 1987 Dec. 1994 Apr. 2013 May 2017	Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.) Established Hoosiers Limited (currently Hoosiers Corporation) President CEO and President, the Company (incumbent) Director, Hoosiers Asia Pacific Pte. Ltd. (incumbent)	8,922,700 shares
		Reasons for nomination as a candidate for Director Tetsuya Hirooka is the founder of the Company and the Group companies, has led the management of the Company and the Group companies for more than 20 years as a Director, has extensive experience and wide-ranging insight in corporate management and the real estate business in general, and the Company has judged that he can be expected to continue to fulfill an appropriate role in the overall management of the Company. The Company has therefore nominated him as a candidate for Director.		
2 Re-election	Tsutomu Ikuma (July 3, 1967) Fiscal 2020 <Attendance at the Board of Directors meetings> 14/14 100%	Apr. 1992 July 2003 Dec. 2005 June 2009 Dec. 2009 Apr. 2013 Sep. 2015 Oct. 2017 Feb. 2019 May 2020	Joined ITOCHU Corporation Joined Dell Computer Corporation (currently Dell Inc.) General Manager, Small-to-Medium-Sized Enterprise Sales Division Joined Revamp Corporation Director Outside Director, Hoosiers Corporation President, Representative Director, Water Direct Corporation (currently Premium Water Holdings) Outside Director, the Company Senior Managing Director, the Company (incumbent) President, Hoosiers, Inc. (incumbent) CEO and President, Hoosiers Accommodation Service (incumbent) CEO and President, Hoosiers Wellness & Sports Co., Ltd. (incumbent)	36,800 shares
		Reasons for nomination as a candidate for Director Tsutomu Ikuma has a high level of insight as a financial expert and extensive experience as a corporate manager, and the Company has judged that he can be expected to continue to fulfill an appropriate role in the overall management of the Company. The Company has therefore nominated him as a candidate for Director.		
3 Re-election	Eiichi Ogawa (December 6, 1964) Fiscal 2020 <Attendance at the Board of Directors meetings> 14/14 100%	Apr. 1988 July 2001 Feb. 2002 July 2009 Apr. 2015 Apr. 2016 Apr. 2017 June 2019	Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.) Joined Hoosiers Corporation Director, Hoosiers Corporation Representative Director, A-one corporation co., Ltd. Member of the Board of Directors, KK Harakosan (currently REVOLUTION CO., LTD.) Director, Hoosiers Corporation President, Hoosiers Corporation (incumbent) Director, the Company (incumbent)	53,900 shares
		Reasons for nomination as a candidate for Director Eiichi Ogawa has extensive experience and wide-ranging insight in the fields of planning and development, architectural design, and business promotion, and has served as an officer of several companies, including Hoosiers, Inc., a Group company. The Company has judged that he will contribute to the decision-making of important management matters, the supervision of business execution, and the further reinforcement of corporate governance of the Group. The Company has therefore nominated him as a candidate for Director.		

<table>
<tr><th>Candidate No.</th><th>Name (date of birth)</th><th colspan="2">Brief profile, position, responsibility, and significant concurrent positions</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">4

Re-election
Outside
Independ-ent</td><td rowspan="2">Yoshinori Watanabe
(July 25, 1956)
Fiscal 2020
<Attendance at the Board of Directors meetings>
14/14 100%</td><td>Apr. 1979
May 1985
June 2002
June 2004

June 2005
June 2017</td><td>Joined Japan Recruit Center Co., Ltd. (currently Recruit Holdings Co., Ltd.)
Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.)
General Manager, Kansai Branch, Recruit Cosmos Co., Ltd.
Director, Cosmos Life Co., Ltd. (currently DAIWA LIFENEXT Co., Ltd.)
Representative Director, Cosmos Life Co., Ltd.
Outside Director, the Company (incumbent)</td><td>2,800 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Outside Director and outline of expected roles
Yoshinori Watanabe has extensive experience and wide-ranging insight in corporate management and the real estate business, as well as knowledge of human resource development and organizational structure improvement. After his appointment, the Company expects him to supervise the Company's management from an independent standpoint by providing opinions on overall management and, in particular, advice on the real estate business in general, as well as on human resource development and organizational structure enhancement. If he is elected, he will be involved as the Chair of the Nominating and Remuneration Advisory Committee from an objective and neutral standpoint in the selection of candidates for the Company's officers and in the determination of the officer remuneration. The Company has therefore nominated him as a candidate for Outside Director.</td></tr>
<tr><td rowspan="2">5

Re-election
Outside
Independ-ent</td><td rowspan="2">Masatoshi An
(June 16, 1949)
Fiscal 2020
<Attendance at the Board of Directors meetings>
14/14 100%</td><td>Apr. 1975
Mar. 2001

Jan. 2006

Jan. 2014
Sep. 2016

June 2018
June 2019</td><td>Joined Nikken Sekkei Ltd.
Executive Officer, Vice Principal, Tokyo, and General Manager, Tokyo Planning Office, Nikken Sekkei Ltd.
Executive Vice President, Representative Member of the Board, Nikken Sekkei Ltd.
Chairman and Director, Nikken Sekkei Research Institute
Chairman and Representative Director, MA Partners (incumbent)
Executive Deputy President, Dyna-Air Co., Ltd. (incumbent)
Outside Director, the Company (incumbent)</td><td>1,400 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Outside Director and outline of expected roles
Satoshi An served as Representative Director of Nikken Sekkei Ltd. for many years, and has extensive experience in corporate management and wide-ranging insight in the fields of architectural design, urban planning, and redevelopment projects. The Company has therefore nominated him as a candidate for Outside Director.
After his election, we expect that he will provide opinions on the Company's overall management and, in particular, that he will supervise the Company's management from an independent standpoint by providing advice based on his wide-ranging insight in the fields of quality control, urban planning and redevelopment projects.
If he is elected, he will be involved as a member of the Nominating and Remuneration Advisory Committee from an objective and neutral standpoint in the selection of candidates for the Company's officers and in the determination of the officer remuneration.</td></tr>
</table>

Candidate No.	Name (date of birth)	Brief profile, position, responsibility, and significant concurrent positions	Number of the Company's shares owned
6 Re-election Outside Independ-ent	Shoji Tsuboyama (December 19, 1965) Fiscal 2020 <Attendance at the Board of Directors meetings> 11/11 100% (After assuming office)	Apr. 1988 Joined Salomon Brothers Asia Ltd. (currently Citigroup Global Markets Japan Inc.) July 1996 Joined UBS Securities Japan Co., Ltd. Aug. 2013 Managing Executive Officer, UBS Securities Japan Co., Ltd. Sep. 2016 Representative Director, Chairman, and CEO, EVOLUTION JAPAN SECURITIES Co., Ltd. May 2019 Representative Director, CapitaLink Investment Inc. (incumbent) June 2020 Outside Director, the Company (incumbent)	0 shares
		Reasons for nomination as a candidate for Outside Director and outline of expected roles Shoji Tsuboyama has extensive experience and wide-ranging insight in corporate management and in the financial and securities industries. The Company has therefore nominated him as a candidate for Outside Director. After his election, we expect that he will provide opinions on overall management and, in particular, advice on finance, accounting and capital strategy, and supervise the Company's management from an independent standpoint.	

Notes: 1. There are no special conflicts of interest between any of the candidates and the Company.

2. Mr. Yoshinori Watanabe, Mr. Masatoshi An, and Mr. Shoji Tsuboyama are the candidates for Outside Directors.

3. The Company has concluded liability limitation agreements with Mr. Yoshinori Watanabe, Mr. Masatoshi An, and Mr. Shoji Tsuboyama to limit their liability for damages, as stipulated in Article 423, paragraph (1) of the Companies Act, to the higher of 1 million yen or the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, as long as they have performed their duties in good faith and without gross negligence. The Company will continue the agreements in the event that the re-election of those three candidates is approved.

4. The Company has concluded Directors and Officers liability insurance contracts with insurance companies as stipulated in Article 430-3, paragraph (1) of the Companies Act to indemnify Directors and Officers for damages and legal costs in the event that they receive claims for damages caused by their execution of duties during the insurance period. If the candidates are elected and assume office of Directors, they will become the insured of those insurance contracts.
The Company plans to renew those insurance contracts with the same contents at the next renewal.

5. Mr. Yoshinori Watanabe, Mr. Masatoshi An, and Mr. Shoji Tsuboyama are currently Outside Directors of the Company. At the conclusion of the Annual Meeting of Shareholders, Mr. Yoshinori Watanabe's term of office will be four years, Mr. Masatoshi An's will be two years, and Mr. Shoji Tsuboyama's will be one year.

6. The Company appointed Mr. Yoshinori Watanabe, Mr. Masatoshi An, and Mr. Shoji Tsuboyama as independent Executive Officers as set forth by the Tokyo Stock Exchange and has registered them with the Tokyo Stock Exchange. These three people meet the requirements for independence in the Criteria for Determining Independence of the Company. The Company will continue to appoint these three people as independent Executive Officers if their re-election is approved.

7. The number of the Company's shares owned by Mr. Tetsuya Hirooka includes the number of shares owned in the name of "DAIWA CM SINGAPORE LTD-NOMINEE HIROOKA TETSUYA."

Proposal 5: Election of Four (4) Auditors

As the term of office for all of the current three (3) Auditors will expire at the conclusion of this Annual Meeting of Shareholders, the Company requests the election of four (4) Auditors (including two (2) Outside Auditors), increasing the number of Auditors by one (1) in order to enhance and reinforce the auditing system.

With regard to this proposal, the consent of the Board of Auditors has been obtained.

The candidates for Auditors are as follows.

Candidate No.	Name		Current position at the Company	Number of the Board of Directors meetings attended	Number of the Board of Auditors meetings attended
1	Re-election	Yasue Kaneko	Full-time Auditor	100% (14/14)	100% (15/15)
2	New election	Atsuhiro Imai	General Manager, Risk Management Department	–	–
3	Re-election Outside Independent	Mieko Hayakawa	Outside Auditor	93% (13/14)	93% (14/15)
4	New election Outside Independent	Masatoshi Sakaki	–	–	–

<table>
<tr><th>Candidate No.</th><th>Name (date of birth)</th><th colspan="2">Brief profile, position, and significant concurrent positions</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">1

Re-election</td><td rowspan="2">Yasue Kaneko
(February 7, 1960)

Fiscal 2020
<Attendance at the Board of Directors meetings>
14/14 100%

<Attendance at the Board of Auditors meetings>
15/15 100%</td><td>Apr. 1980
Dec. 1986

Apr. 2000
June 2009
Apr. 2013

Jan. 2014

July 2015
Oct. 2017</td><td>Joined Sekisui House, Ltd.
Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.)
Joined Hoosiers Corporation
Auditor, Hoosiers Corporation (incumbent)
Full-time Auditror, the Company (incumbent)
Auditor, Hoosiers Avenue (incumbent)
Auditor, AM 31 Co., Ltd. (currently Hoosiers Asset Management) (incumbent)
Auditor, Hoosiers Care Design Co., Ltd. (incumbent)
Auditor, Vermilion Capital Management Co., Ltd. (incumbent)</td><td>334,200 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Auditor
Yasue Kaneko has extensive experience in the finance and accounting departments of other companies and the Company, as well as experience as an Auditor of the Company and of a Group company, and has a high level of knowledge about finance, accounting and internal control. We expect her to conduct high quality audits by utilizing her expertise and insight.</td></tr>
<tr><td rowspan="2">2

New election</td><td rowspan="2">Atsuhiro Imai
(December 4, 1960)</td><td>Oct. 1983
Apr. 2004
Apr. 2010
May 2013

June 2016

Jan. 2019
Apr. 2019

May 2020

June 2020

</td><td>Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited.)
General Manager, Compliance Control Department, Resona Bank, Limited.
General Manager, Trust Services Management Department, Resona Bank, Limited.
Joined Inageya Co., Ltd.
General Manager, Group Business Administration Office, and General Manager, Quality Control Office
Director, Head of IR, and General Manager, Administration Division
Joined the Company
General Manager, Risk Management Division, and General Manager, Internal Audit Office
Auditor, Hoosiers Wellness & Sports Co., Ltd. (incumbent)
Auditor, Hoosiers REIT Advisors Co., Ltd. (incumbent)
Auditor, Hoosiers Living Service Co., Ltd. (incumbent)
Auditor, Hoosiers Accommodation Service (incumbent)
Auditor, IEA Co., Ltd. (incumbent)</td><td>500 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Auditor
Atsuhiro Imai is well versed in the operations of corporate administrative departments and has a high level of knowledge in risk management, internal control, and corporate governance, in particular, due to his many years of business experience at financial institutions, as well as his experience as General Manager of the Administration Department of an operating company, General Manager of the Risk Management Department and General Manager of the Internal Audit Office of the Company. We expect him to conduct high quality audits by utilizing his expertise and insight.</td></tr>
</table>

Candidate No.	Name (date of birth)	Brief profile, position, and significant concurrent positions		Number of the Company's shares owned
3 Re-election Outside Independent	Mieko Hayakawa (November 12, 1964) Fiscal 2020 <Attendance at the Board of Directors meetings> 13/14 93% <Attendance at the Board of Auditors meetings> 14/15 93%	Apr. 1987 Oct. 1995 Apr. 1998 Apr. 2013	Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.) Passed the bar examination Registered as a practicing attorney (Dai-Ichi Tokyo Bar Association) Outside Auditor, the Company (incumbent)	2,800 shares
		Reasons for nomination as a candidate for Auditor Mieko Hayakawa has a high level of expertise in corporate governance, risk management, and overall corporate legal affairs, which she has cultivated through her many years of experience as an attorney at law. We expect her to utilize her expertise and insight to conduct high quality audits from an outside perspective.		
4 New election Outside Independent	Masatoshi Sakaki (January 2, 1961)	Oct. 1988 Aug. 2008 July 2011 Feb. 2014 Mar. 2017 July 2019 July 2019 Oct. 2019 Mar. 2020 Apr. 2020	Joined Ota Showa Audit Corporation (currently Ernst & Young ShinNihon LLC) Managing Partner, ShinNihon Director and COO, EY Business Initiative Co., Ltd. Auditor, Next Wisdom Foundation (incumbent) Auditor, Distributed Autonomous Society Forum (incumbent) President, Sakaki Certified Public Accountant (incumbent) Outside Director, eumo (incumbent) Outside Auditor, Kyoto University Innovation Capital Co., Ltd. (incumbent) Director (Audit and Supervisory Committee Member), THE SAILOR PEN CO., LTD. (incumbent) Professor, Tohoku University Accounting School (incumbent)	0 shares
		Reasons for nomination as a candidate for Auditor Masatoshi Sakaki has been engaged for many years in accounting audits and support for the establishment of internal control as a certified public accountant, and has extensive experience and wide-ranging knowledge in the fields of corporate accounting, auditing and internal control. We expect him to utilize his expertise and insight to conduct high quality audits from an outside perspective.		

Notes: 1. There is no special conflict of interest between the candidates of Auditors and the Company.

2. Ms. Mieko Hayakawa and Mr. Masatoshi Sakaki are the candidates for Outside Auditors.

3. The Company has concluded liability limitation agreements with Ms. Yasue Kaneko and Ms. Mieko Hayakawa to limit their liability for damages, as stipulated in Article 423, paragraph (1) of the Companies Act, to the higher of 1 million yen or the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, as long as they have performed their duties in good faith and without gross negligence. The Company will continue the agreements in the event that the re-election of the candidates is approved.

4. If the election of Mr. Atsuhiro Imai and Mr. Masatoshi Sakaki is approved, the Company will conclude liability limitation agreements with them. These agreements limit their liability for damages, as stipulated in Article 423, paragraph (1) of the Companies Act, to the higher of 1 million

yen or the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act, as long as they have performed their duties in good faith and without gross negligence.

5. The Company has concluded Directors and Officers liability insurance contracts with insurance companies as stipulated in Article 430-3, paragraph (1) of the Companies Act to indemnify Directors and Officers for damages and legal costs in the event that they receive claims for damages caused by their execution of duties during the insurance period. If the candidates are elected and assume office of Auditors, they will become the insured of those insurance contracts.

6. Ms. Mieko Hayakawa is currently Outside Auditor of the Company, and her term of office will be eight years and two months at the conclusion of the Annual Meeting of Shareholders.

7. The Company appointed Ms. Mieko Hayakawa as an independent Executive Officer as set forth by the Tokyo Stock Exchange and has registered Ms. Hayakawa with the Tokyo Stock Exchange. She meets the requirements for independence in the Criteria for Determining Independence of the Company. The Company will continue to appoint Ms. Mieko Hayakawa as an independent Executive Officer if her re-election is approved.

8. Mr. Masatoshi Sakaki meets the requirements for independent Executive Officer specified by the Tokyo Stock Exchange and the requirements for independence in the Criteria for Determining Independence of the Company. If Mr. Masatoshi Sakaki assumes office of Outside Auditor, the Company will appoint him as an independent Executive Officer as set forth by the Tokyo Stock Exchange, and register Mr. Sakaki with the Tokyo Stock Exchange.

Proposal 6: Election of One (1) Substitute Auditor

The effective period of the election of Mr. Yasushi Tooyama, who was elected Substitute Auditor at the 7th Annual Meeting of Shareholders held on June 25, 2020, expires at the beginning of this Annual Meeting of Shareholders. In order to prepare for the case where the number of Auditors falls short of the number stipulated by laws and regulations, the Company requests the election of one (1) Substitute Auditor.

With regard to this proposal, the consent of the Board of Auditors has been obtained.

The candidate for Substitute Auditor is as follows.

	Name (date of birth)	Brief profile, position, and significant concurrent positions	Number of the Company's shares owned
Re-election Outside Independent	Yasushi Tooyama (May 1, 1965)	Apr. 1993 Registered as a practicing attorney (Daini Tokyo Bar Association) Joined Asahi Law Offices June 1999 Established Sudo, Tooyama and Takai Law Office Sep. 2000 Established Yasushi Tooyama Law Office Apr. 2006 Civil Conciliation Commissioner, Tokyo Summary Court (incumbent) Sep. 2012 Part-time lecturer, School of Cultural and Creative Studies, Aoyama Gakuin University (incumbent) Jan. 2015 Judicial Commissioner, Tokyo Summary Court (incumbent) Apr. 2019 Member of the Contract Monitoring Committee, Japan International Cooperation Agency (incumbent) June 2019 Auditor, Bicycle Parking Facilities Development and Management Foundation (incumbent) Member of the Independent Committee regarding Anti-takeover Measures, SAKAI HEAVY INDUSTRIES, LTD. (incumbent) June 2020 Substitute Auditor the Company (incumbent) Apr. 2021 Member of the Public Procurement Monitoring Committee, Ministry of Health, Labour and Welfare (incumbent)	0 shares
		Reasons for nomination as a candidate for substitute Outside Auditor Yasushi Tooyama has extensive experience and wide-ranging insight as an attorney at law, and we expect him to utilize this experience and insight to strengthen the Company's auditing system as an Outside Auditor. Although he has never been directly involved in corporate management, based on the reasons stated above, the Company has judged that he can appropriately perform his duties as an Outside Auditor and has therefore nominated him as a candidate for substitute Outside Auditor.	

Notes: 1. There is no special conflict of interest between the candidate and the Company.

2. Mr. Yasushi Tooyama is the candidate for Substitute Outside Auditor.

3. If Mr. Yasushi Tooyama, who is the candidate for Substitute Outside Auditor, assumes office of Auditor, the Company will conclude a liability limitation agreement with him. This agreement limits his liability for damages, as stipulated in Article 423, paragraph (1) of the Companies Act, to the higher of 1 million yen or the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, as long as he has performed his duties in good faith and without gross negligence.

4. The Company has concluded Directors and Officers liability insurance contracts with insurance companies as stipulated in Article 430-3, paragraph (1) of the Companies Act to indemnify Directors and Officers for damages and legal costs in the event that they receive claims for damages caused by their execution of duties during the insurance period. In the event that Mr. Yasushi Tooyama assumes office as Auditor, he will become insured in this insurance contract.
The Company plans to renew those insurance contracts with the same contents at the next renewal.

5. Mr. Yasushi Tooyama meets the requirements for independent Executive Officer specified by the Tokyo Stock Exchange and the requirements for independence in the Criteria for Determining Independence of the Company. If Mr. Yasushi Tooyama assumes office of Auditor, the Company

will appoint him as an independent Executive Officer as set forth by the Tokyo Stock Exchange, and register Mr. Tooyama with the Tokyo Stock Exchange.

[Reference]

Criteria for Determining Independence for Independent Executive Officers

The Company judges outside Directors and outside Auditors (hereinafter "Outside Executive Officers") to be independent if they are judged not to fall under any of the following standards, in addition to the independence standards prescribed by financial instruments exchanges.

(i) A business executor of the Company and the Company's affiliates (hereinafter, collectively "the Group") * Note 1

(ii) A major business partner of the Group or a business executor thereof *Note 2

(iii) A person for whom the Group is a major business partner or a business executor thereof *Note 3

(iv) A major creditor to the Group or a business executor thereof *Note 4

(v) A person belonging to the auditing firm that is the accounting auditor of the Group

(vi) An attorney, certified public accountant, licensed tax accountant, consultant and the like who receives a significant amount of money or other property benefits other than executive remuneration from the Group *Note 5

(vii) A person who receives a significant amount of donations from the Group or a business executor thereof *Note 6

(viii) A major shareholder of the Group or a business executor thereof *Note 7

(ix) A close relative of a person who falls under any of the above (i) to (viii) *Note 8

(x) A person who has fallen under any of the above (i) to (ix) during the past 3 years

(Notes)

1. "Business executor" means an executive director, operating officer, executive officer, an employee or other equivalent person.
2. "Major business partner of the Group" means a person who has made payments to the Group in an amount equivalent to at least 2% of the Company's consolidated net sales in the most recent fiscal year.
3. "Person for whom the Group is a major business partner" means a person who has received payments from the Group in an amount equivalent to at least 2% of that company's consolidated net sales in the most recent fiscal year.
4. "A major creditor" means a person who has made loans to the Group in an amount equivalent to at least 2% of the Company's consolidated total net assets in the most recent fiscal year.
5. "Significant amount of money or other property benefits" means payments of amounts in excess of ¥10 million per year.
6. "Significant amount of donations" means the receipt of amounts in excess of ¥10 million per year.
7. "Major shareholder" means a shareholder who held shares accounting for at least 10% of the issued shares during the most recent fiscal year.
8. "Close relative" means a relative within the second degree of kinship.

Proposal 7 Partial Amendment to the Performance-linked Stock Compensation Plan for Directors

The Company received approval at the 3rd Annual Meeting of Shareholders held on June 25, 2016 to introduce a performance-linked stock compensation plan (hereinafter, the "Plan") for Directors (excluding outside Directors) and directors of the Company's group companies (hereinafter, "eligible subsidiaries") (hereinafter, "eligible persons"), which has remained to the present.

On this occasion, the Company seeks approval with respect to setting the maximum number of shares to be delivered to eligible persons through application of the Plan due to amendments to the Companies Act and Regulation for Enforcement of the Companies Act. The amendments for which we seek approval are underlined below.

Note that the Company has set the "Policy for determining the details of compensation, etc. for each individual Director". The Company deems that this proposal is in line with that policy.

1. Outline of the Plan, etc.

<Outline of the Plan>

The Plan is a performance-linked stock compensation plan where the Company contributes money to a trust (the maximum is as described below), and that trust uses such funds to acquire the Company's shares. The Company's shares are delivered to Directors, etc. through that trust according to the degree of achievement of performance and degree of contribution to performance in accordance with share delivery regulations for Directors related to executive remuneration prescribed by the Company and eligible subsidiaries (hereinafter "Share Delivery Regulations for Directors"). Note that the timing for eligible persons to receive delivery of the Company's shares is, in principle, when the eligible person retires.

Eligible persons are the Company's Directors (not including outside Directors) and directors of eligible subsidiaries. (with respect to directors of eligible subsidiaries, eligible persons are determined at the Company's Board of Directors.) Note that if Proposal 4 is approved, the number of eligible persons will total seven (7), with three (3) Directors of the Company and four (4) directors of eligible subsidiaries.

The applicable term is the three fiscal years from the fiscal year ending March 31, 2017 to the fiscal year ending March 31, 2019 as well as each three fiscal year period thereafter that commences in the fiscal year that follows the end of such three fiscal years.

<Amount of money contributed by the Company>

The Company shall contribute a maximum of 180 million yen as funds to acquire shares to be delivered to eligible persons under the Plan as executive remuneration in the initial applicable term and establish the Trust with eligible persons who fulfill the beneficiary requirements as beneficiaries.

During the initial applicable term, additional funds to acquire shares up to 180 million yen can be put into trust.

The Trust acquires the Companies shares from the market or through subscription to treasury stock disposal by the Company with the funds put in the trust by the Company. Note that even after the initial applicable term, the Company shall make additional contributions of up to 180 million yen for each applicable term during the period until the Plan ends. However, when making additional contributions, if there are any remaining shares of the Company and money in the relevant trust assets (hereinafter "Remaining Shares, etc.") on the final day of the applicable term immediately prior to the applicable term in which additional contribution shall be made, the Remaining Shares, etc. shall be allocated to fund the delivery based on the Plan for the future applicable term, and the maximum amount of additional contribution the Company can make during such applicable term shall be the amount after deducting the amount of Remaining Shares, etc. from 180 million yen (with respect to shares, the amount of remaining shares is based on the market value on the final day of the such immediately prior applicable term).

<Maximum number of shares set by the Company as stock compensation>

Eligible persons are awarded points in each fiscal year according to their position, degree of achievement of performance target and degree of contribution to performance for each fiscal year during each applicable term. The total number of points to be awarded to eligible persons shall be up to 282,436 points for each applicable term, and the total number of shares to be granted to eligible persons shall be up to 282,436 shares for each applicable term. This maximum number of points was calculated by dividing the aforementioned maximum amount of contribution by the Company by the average closing price of the Company's shares on the Tokyo Stock Exchange during the period from April 1, 2020 to March 31, 2021. For the delivery of shares, the points awarded will be converted at the ratio of one common share of the Company for each point. (However, in the event of a share split, allotment of shares without contribution, consolidation of shares, etc. in relation to the Company's common shares after approval of this proposal, the conversion ratio shall be reasonably adjusted in accordance with the ratio, etc. thereof.)

2. Calculation method for the number of Company shares to be delivered to eligible persons under the Plan

Eligible persons are assigned points in each fiscal year according to their position, degree of achievement of performance target and degree of contribution to performance for each fiscal year during each applicable term. The assigned points are converted when the shares are delivered at one common share of the Company for each point. (However, following approval of this proposal, in the event of a share split, allotment of shares without contribution, or consolidation of shares, etc. in relation to the Company's common shares, the conversion ratio shall be reasonably adjusted in accordance with the ratio, etc. thereof.)