To Our Shareholders

Security Code: 8897
June 4, 2021
Kazuichi Shimada, President and Representative Director, CEO
Takara Leben CO., LTD.
Tekko Building 16F 1-8-2, Marunouchi, Chiyoda-Ku, Tokyo, Japan

Notice of the 49th Ordinary General Meeting of Shareholders

Takara Leben Co., Ltd. (the "Company") announces that it will hold the 49th Ordinary General Meeting of Shareholders as described below.
To prevent COVID-19 infections, please do not visit the meeting venue on the day of the meeting. You may exercise your voting rights in advance in writing or via the internet in lieu of voting in person at the meeting. After reviewing the following reference documents for the general meeting of shareholders, please exercise your voting rights following the instructions below no later than 6:00 p.m. on Thursday, June 24, 2021 (Japan time).

Date and Time:	10:00 a.m. on Friday, June 25, 2021 (reception starts at 9:30 a.m.)
Place of the Meeting:	Tekko Conference Room, 4th Fl., South Tower, Tekko Building, 1-8-2, Marunouchi, Chiyoda-Ku, Tokyo * Please note that the venue for this Ordinary General Meeting of Shareholders is different from last year. Please ensure that you attend the correct venue.
Purpose of the Meeting	Matters for Reporting: (1) Business report and the Consolidated Financial Statements, for the 49th Fiscal Year (from April 1, 2020 to March 31, 2021), as well as the audit reports of the Accounting Auditor and the Audit & Supervisory Board for Consolidated Financial Statements. (2) Non-Consolidated Financial Statements for the 49th Fiscal Year (from April 1, 2020 to March 31, 2021). Matters for Resolution: Proposal 1: Appropriation of Surplus Proposal 2: Election of Twelve (12) Directors Proposal 3: Election of One (1) Substitute Auditor Proposal 4: Amount of compensation through stock options for directors and the revision of details

Disclosure on the internet

- Pursuant to laws and regulations of Japan and provisions in Article 17 of the Articles of Incorporation, these items are published on the Company's Japanese website (https://www.leben.co.jp/ir/procedure.html)
  (i) Business Report: Status of Stock Acquisition Rights and Necessary Systems to Ensure Appropriate Operations and Status of Operations of the Systems
  (ii) Consolidated Financial Statements: Consolidated Statements of Changes in Shareholders' Equity and Notes to Non-Consolidated Financial Statements
  (iii) Non-Consolidated Financial Statements: Non-Consolidated Statements of Changes in Shareholders' Equity and Notes to Consolidated Financial Statements

  These items are included in the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board members to prepare the Audit Report and by the Accounting Auditor to prepare the Accounting Audit Report.
- If circumstances arise whereby revisions should be made to the contents of the reference documents for the General Meeting of Shareholders, the business report, consolidated financial statements, and non-consolidated financial statements, such notification shall be published on the following Company's website (https://www.leben.co.jp/)

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Issues

Proposal 1	Appropriation of Surplus

The Company considers that returning its profits to shareholders is one of its most important management issues, and on the basis of maintaining stable dividends, the Company would like to pay the year-end dividend for the fiscal year under review in light of the business development planned for the future.

Matters related to year-end dividends	
1	Type of dividend property: Cash
2	Allotment of dividend property to shareholders and total amount: Allotment of dividend property to shareholders: ¥10 per share of the Company's common stock Total amount: ¥1,086,550,930 The total dividend per share for the fiscal period will be ¥14, together with ¥4 interim dividend per share.
3	Effective date of the dividends of surplus: June 28, 2021

Proposal 2	Election of Twelve (12) Directors

The term of office of all the Directors (13 Directors) will expire at the conclusion of this General Meeting of Shareholders. As part of its corporate governance reform to enhance management supervision and accelerate decision making, the Company will reduce the number of inside Directors by one to a total of eight and appoint a total of four Outside Directors, including two candidates for new Outside Director positions. Therefore, the Company proposes the election of twelve (12) Directors, including four (4) Outside Directors.
The candidates for director are as follows.

No.	Name				Positions and responsibility in the Company
1	For reelection	Yoshio Murayama	(Age: 75)		Director and Chairman
2	For reelection	Kazuichi Shimada	(Age: 55)		Representative Director and CEO and President Executive Officer
3	For reelection	Kazuyuki Shimizu	(Age: 57)		Director, COO, and Vice- President Executive Officer (Director in charge of Corporate Planning Division and CSR)
4	For reelection	Masashi Yamamoto	(Age: 61)		Director, CFO, Managing Executive Officer and Executive General Manager of Administrative Division
5	For reelection	Masahiro Yoshida	(Age: 46)		Director, Managing Executive Officer and Executive General Manager of Condominium Businesses Division
6	For reelection	Shoichi Akisawa	(Age: 56)		Director, Managing Executive Officer and General Manager of Investment and Development Business Division
7	For reelection	Hiroshi Iwamoto	(Age: 45)		Director, Managing Executive Officer, Vise Executive General Manager of Condominium Businesses Division, and Executive General Manager of the Urban Development Division
8	For reelection	Mika Takaara	(Age: 54)		Director, Executive Officer, General Manager of the Business Development Promotion Office, and Manager of Business Development Promotion Division
9	For reelection	Kenji Kawada	(Age: 71)	Outside Director Independent officer	Director
10	For reelection	Kentaro Taniguchi	(Age: 60)	Outside Director Independent officer	Director
11	For election	Chiaki Tsuji	(Age: 68)	Outside Director Independent officer	–
12	For election	Keiko Yamahira	(Age: 60)	Outside Director Independent officer	–

No. 1	Career summary, positions and responsibility:
Yoshio Murayama (Date of birth: August 28, 1945; Age: 75) For reelection Number of the Company's shares held: 25,633,600	September 1972 Established the Company, Senior Managing Director March 1973 Representative Director and President April 2012 Representative Director and President and CEO April 2014 Representative Director and Chairman June 2016 Director and Chairman (incumbent) Reasons for nomination of the candidate for Director Mr. Yoshio Murayama has been involved in the management of the Company for many years, and assumed the office of Director and Chairman of the Company in June 2016. The Company considers him to be an appropriate human resource for business execution aiming for the sustainable growth and medium- to long-term improvement of corporate value because of his ample experience and wide range of knowledge of company management, and therefore nominates him as a candidate for reappointment as Director.

No. 2	Career summary, positions and responsibility:
Kazuichi Shimada (Date of birth: December 4, 1965; Age: 55) For reelection Number of the Company's shares held: 678,000	May 1987 Joined the Company June 1998 Director, General Manager of Development Division June 2000 Managing Director and Executive General Manager of Development Division General Manager of Development Division and General Manager of Building Division June 2006 Representative Director, Vice President and Executive General Manager of Development Division April 2012 Representative Director, Vice President and COO and CFO and Executive General Manager of General Planning Division April 2014 Representative Director and President and CEO and COO and CFO April 2019 Representative Director and President and CEO June 2019 Representative Director and CEO and President Executive Officer (incumbent) Reasons for nomination of the candidate for Director Mr. Kazuichi Shimada has demonstrated strong leadership in the improvement of corporate value since he assumed the office as Representative Director and President in April 2014. The Company considers him to be an appropriate human resource for business execution aiming for the sustainable growth and medium- to long-term improvement of corporate value and therefore nominates him as a candidate for reappointment as Director.

No. 3	Career summary, positions and responsibility:
Kazuyuki Shimizu (Date of birth: August 16, 1963; Age: 57) For reelection Number of the Company's shares held: 33,200	April 1987 Joined Toyota Motor Corporation October 2004 Joined Leben Community Co., Ltd. April 2007 Director, Leben Community Co., Ltd. May 2009 Managing Director, Leben Community Co., Ltd. May 2014 Senior Managing Director, Leben Community Co., Ltd. May 2016 Representative Director and Vice President, Leben Community Co., Ltd. June 2018 Representative Director, Takara Leben West Japan Co., Ltd. June 2018 Representative Director, Vice President April 2019 Representative Director, Vice President and COO June 2019 Director, COO, and Vice- President Executive Officer April 2021 Director, COO, and Vice-President Executive Officer (Director in charge of Corporate Planning Division and CSR) (incumbent) [Significant concurrent holding of positions] Director, Leben Community Co., Ltd.
	Reasons for nomination of the candidate for Director Since his appointment as Representative Director and Vice President of the Company in June 2018, Mr. Kazuyuki Shimizu has been contributing to the enhancement of the Company's corporate value. The Company continues to nominate him as a candidate for Director because of his performance, talent, experience in the real estate industry for many years and abundant knowledge in corporate management as well as his excellent character and insight.

No. 4	Career summary, positions and responsibility:			
Masashi Yamamoto (Date of birth: January 11, 1960; Age: 61) For reelection Number of the Company's shares held: 29,700	April 2006	General Manager of Ueda Corporate Sales, Sumitomo Mitsui Banking Corporation	June 2018	Director, Executive Officer, Executive General Manager of General Planning Division, General Manager of Control Group of Corporate Planning, and General Manager of Corporate Planning
	April 2009	General Manager of Kamata Corporate Sales, Sumitomo Mitsui Banking Corporation	April 2019	Director, CFO, Executive Officer, and Executive General Manager of General Planning Division
	April 2011	General Manager of Sapporo Corporate Sales, Sumitomo Mitsui Banking Corporation	April 2020	Director, CFO, and Managing Executive General Manager of General Planning Division
	April 2014	Trustee, Executive General Manager of Central Tokyo Corporate Sales, Executive General Manager of Tokyo-East Corporate Sales, and Executive General Manager of East Japan extended-spectrum Corporate Sales, Sumitomo Mitsui Banking Corporation	April 2021	Director, CFO, and Managing Executive General Manager of Administrative Division (incumbent)
	May 2016	Joined the Company General Manager of General Affairs Division and General Planning Division		
	June 2017	Director, Executive Officer, Executive General Manager of General Planning Division, General Manager of Control Group of Corporate Planning, General Manager of Personnel and General Manager of Corporate Planning		
	Reasons for nomination of the candidate for Director Mr. Masashi Yamamoto has extensive experience in financial institutions and deep insight about management. The Company considers him to be an appropriate human resource for business execution aiming for the sustainable growth and medium- to long-term improvement of corporate value and therefore nominates him as a candidate for reappointment as Director.			

No. 5	Career summary, positions and responsibility:

Masahiro Yoshida

(Date of birth: November 1, 1974; Age: 46)

For reelection

Number of the Company's shares held: 27,900

March 2001	Joined the Company	April 2020	Director, Managing Executive Officer, Executive General Manager of Sales Division and General Manager of Sales Administration Division
October 2011	General Manager of 2nd Sales Division, Sales Division		
April 2014	Executive Officer and General Manager of 2nd Group of Sales Division	April 2021	Director, Managing Executive Officer and Executive General Manager of Condominium Businesses Division (incumbent)
January 2015	Representative Director, Takara Leben Tohoku Co., Ltd.		
June 2019	Director, Managing Executive Officer and Executive General Manager of Sales Division		

Reasons for nomination of the candidate for Director

Since his appointment as Director of the Company in June 2019, Mr. Masahiro Yoshida has been contributing to the enhancement of the Company's corporate value. The Company continues to nominate him as a candidate for Director because of his performance, talent, experience in the real estate industry for many years and abundant knowledge in corporate management as well as his excellent character and insight.

No. 6	Career summary, positions and responsibility:

Shoichi Akisawa

(Date of birth: May 10, 1965; Age: 56)

For reelection

Number of the Company's shares held: 5,000

April 1988	Joined Towa Real Estate Development Co., Ltd. (present Mitsubishi Estate Residence Co., Ltd.)	February 2012	Representative Director, Fan Investment Co., Ltd. (present Star Mica Property Co., Ltd.)
May 1997	Representative Director, Atech Co., Ltd.	December 2014	Representative Director, Star Mica Co., Ltd.
January 2002	Director, Intus Co., Ltd.		
February 2004	Corporate Officer, Pacific Management Co., Ltd. (present Pacific Holdings Co., Ltd.)	June 2016	Representative Director, Rising Force Co., Ltd.
		June 2019	Director and Executive Officer and Executive General Manager of Investment and Development Division
June 2008	Representative Director, Pacific Realty Co., Ltd.		
June 2008	Representative Director, Pacific Properties Investment Co., Ltd.	April 2020	Director, Managing Executive Officer and Executive General Manager of Investment and Development Division
January 2011	General Manager, Strategic Business Department, Star Mica Co., Ltd.	April 2021	Director and Managing Executive Officer and Executive General Manager of Investment and Development Business Division (incumbent)
February 2012	Director and General Manager, Strategic Business Division, Star Mica Co., Ltd.		

[Significant concurrent holding of positions] Representative Director, Leben Zestock Co., Ltd.

Reasons for nomination of the candidate for Director

Since his appointment as Director of the Company in June 2019, Mr. Shoichi Akisawa has been contributing to the enhancement of the Company's corporate value. The Company continues to nominate him as a candidate for Director because of his performance, talent, experience in the real estate industry for many years and abundant knowledge in corporate management as well as his excellent character and insight.

No. 7

Hiroshi Iwamoto

(Date of birth: October 28, 1975; Age: 45)

For reelection

Number of the Company's shares held: 51,600

Career summary, positions and responsibility:

October 2001	Joined the Company	April 2020	Senior Executive Officer, Executive General Manager of Development Division, General Manager of Eco-energy Business Division and General Manager of Overseas Business Promotion Division
April 2015	General Manager of 1st Sales Division, 1st Sales Group, Sales Division		
April 2016	General Manager of 1st Sales Group, Sales Division		
April 2017	Executive Officer and General Manager of Overall Development Group, Development Division	June 2020	Director, Executive Officer, Executive General Manager of Development Division, General Manager of Eco-energy Business Division and General Manager of Overseas Business Promotion Office
November 2017	Executive Officer, General Manager of Overall Development Group, Development Division and General Manager of Overseas Business Promotion Division	April 2021	Director, Managing Executive Officer, Vise Executive General Manager of Condominium Businesses Division, and General Manager of Urban Development Division (incumbent)
April 2019	Executive Officer, Vice Executive General Manager of Development Division, General Manager of Overall Development Group and General Manager of Overseas Business Promotion Division		
June 2019	Senior Executive Officer, Vice Executive General Manager of Development Division, General Manager of Overall Development Group and General Manager of Overseas Business Promotion Division		

Reasons for nomination of the candidate for Director

Since his appointment as Director of the Company in June 2020, Mr. Hiroshi Iwamoto has been contributing to the enhancement of the Company's corporate value. The Company continues to nominate him as a candidate for Director because of his talent, performance, and many years of experience in the real estate industry as well as his excellent character and insight.

No. 8	Career summary, positions and responsibility:			
Mika Takaara (Date of birth: August 8, 1966; Age: 54) For reelection Number of the Company's shares held: 75,100	January 2000	Joined the Company	April 2018	Director, Executive Officer and General Manager of Overall Sales Group, Sales Division
	April 2014	Manager of Control Group of Sales Division, General Manager of Sales Promotion Division and General Manager of Sales Planning Division	April 2019	Director, Executive Officer and Vice Executive General Manager of Sales Division
	April 2015	Executive Officer, General Manager of Overall Sales Group, Sales Division, General Manager of Sales Promotion Division and General Manager of Operation Division	April 2021	Director, Executive Officer, Manager of Business Development Promotion Office, and Manager of Business Development Promotion Division (incumbent)
	June 2016	Director, Executive Officer, General Manager of Overall Sales Group, Sales Division, General Manager of Sales Promotion Division and General Manager of Operation Division		
	Reasons for nomination of the candidate for Director Ms. Mika Takaara has extensive experience in overall sales divisions and deep insight about management. The Company considers him to be an appropriate human resource for business execution aiming for the sustainable growth and medium- to long-term improvement of corporate value and therefore nominates him as a candidate for reappointment as Director.			

No. 9	Career summary, positions and responsibility:

Kenji Kawada

(Date of birth: March 29, 1950; Age: 71)

For reelection | Outside Director | Independent officer

Number of the Company's shares held: 4,300

May 2003	Representative Director and President, Resona Holdings, Inc.	January 2016	Representative of TMA KAWADA OFFICE (incumbent)
June 2003	Director, Representative Executive Officer and President, Resona Holdings, Inc.	April 2016	Adviser, Fujitsu Research Institute
		June 2017	Outside Director, PE&HR Co., Ltd. (incumbent)
June 2006	President and Representative Director, Saitama Resona Bank, Limited	June 2017	Outside Director, Takara Leben Co., Ltd. (incumbent)
	Executive Officer, Strategy of Corporate Group, Resona Holdings, Inc.	June 2018	Outside Auditor, Konishi Co., Ltd. (incumbent)
June 2009	Chief Director, Resona Research Institute Co., Ltd.		
April 2011	Standing Director, Fujitsu Research Institute		

[Significant concurrent holding of positions] Outside Director, PE&HR Co., Ltd.
Outside Auditor, Konishi Co., Ltd.
Representative of TMA KAWADA OFFICE

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Mr. Kenji Kawada has been involved in the management of financial institutions and business companies and has extensive experience and achievements in management and a wide range of knowledge and insight. The Company considers that he will make a significant contribution to the management of the Company as Outside Director, and therefore nominates him as a candidate for reappointment as Outside Director. If elected as an Outside Director, Mr. Kawada is expected to advise the Company on the promotion of sustainable growth, the increase of its corporate value over the medium- to long-term and the development of management policies and strategies from the perspective of corporate management and management consulting. He is also expected to fulfill his duties, including appropriate evaluation and supervision of operations, through his roll in decisions on the remuneration, election and dismissal of Directors as a member of the remuneration advisory committee and the nomination advisory committee.

No. 10

Kentaro Taniguchi

(Date of birth: April 4, 1961; Age: 60)

For reelection | Outside Director | Independent officer

Number of the Company's shares held:
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Career summary, positions and responsibility:

April 1987	Joined Nissho Iwai Corporation (now Sojitz Corporation)	April 2006	President and Director, DeeCorp Finance Limited
February 2000	Joined SOFTBANK E-COMMERCE CORP. (now SoftBank Corp.)	October 2006	President and Representative Director, DeeCorp Limited
March 2001	Vice President and Representative Director, CMnet Corporation	June 2012	Director, DeeCorp Limited
		April 2014	President and Representative Director, DeeCorp Limited
February 2003	Executive Officer and Deputy General Manager of Sourcing Business Department, DeeCorp Limited	June 2020	Representative Director and Chairman, DeeCorp Limited
September 2003	Director, DeeCorp Limited	June 2020	Outside Director, Takara Leben Co., Ltd. (incumbent)
January 2006	Director and Chief Operating Officer, DeeCorp Limited	April 2021	Director and Chairman, DeeCorp Limited (incumbent)

[Significant concurrent holding of positions] Director and Chairman, DeeCorp Limited

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Mr. Kentaro Taniguchi has served as President and Representative Director of operating companies for many years and has extensive experience and achievements in management as well as wide knowledge and insight. The Company believes that he will contribute significantly to the management of the Company as an Outside Director, and therefore nominates him as a candidate for reappointment as an Outside Director. If elected as an Outside Director, Mr. Taniguchi is expected to advise the Company on the promotion of sustainable growth, the increase of its corporate value over the medium- to long-term and the development of management policies and strategies from the perspective of corporate management and global business. He is also expected to fulfill his duties, including appropriate evaluation and supervision of operations, through his roll in decisions on the remuneration, election and dismissal of Directors as a member of the remuneration advisory committee and nomination advisory committee.

No. 11

Chiaki Tsuji

(Date of birth: April 29, 1953; Age: 68)

For election | Outside Director

Independent officer

Number of the Company's shares held: 12,000

Career summary, positions and responsibility:

October 1976	Passed the National Bar Examination	April 2004	Professor (civil law) at Department of Law, Graduate School, Yamanashi Gakuin University
April 1979	Registered with Tokyo Bar Association Joined Eisoku Yamamoto Law Office		
October 1988	Studied judicial systems in Germany	April 2011	Member of Certified Evaluation and Accreditation for Law Schools, Japan University Accreditation Association
October 1990	Qualified as a lawyer in Germany (Japanese law)		
	Joined Peter Byer Law Firm Partner lawyer	June 2017	Outside Director, Yorozu Corporation (Audit and Supervisory Committee member) (incumbent)
April 1993	Lecturer (law and Constitution) at Bunka Women's University (now Bunka Gakuen University)	April 2018	Visiting professor at Department of Law, Yamanashi Gakuin University
July 2001	Established Yoshioka Tsuji Total Law Offices	June 2019	Outside Director, Keihin Corporation (now Hitachi Astemo, Ltd.)
	Partner lawyer	July 2019	Joined low office Kinoru Tokyo Partner lawyer (incumbent)

[Significant concurrent holding of positions] Outside Director, Yorozu Corporation (Audit and Supervisory Committee member)
Partner lawyer, Kinoru Tokyo law office

Reasons for nomination as a candidate for Outside Director and overview of expected roles

While not previously involved in the Company's management other than her service as an Outside Director, Ms. Chiaki Tsuji has expertise, extensive experience, and an established track record as a lawyer in Japan and Germany. Therefore, the Company believes that she will contribute to the improvement of the transparency and supervisory functions of the Board of Directors and nominates her as a candidate for appointment as an Outside Director. If elected as an Outside Director, Ms. Tsuji is expected to advise the Company and provide opinions from a broad perspective, including her sharp insight and expertise as a lawyer and her perspective from a position of diversity. She is also expected to fulfill her duties, including the appropriate evaluation and supervision of operations, through her involvement in decisions on the remuneration, election and dismissal of Directors as a member of the remuneration advisory committee and the nomination advisory committee.

No. 12	Career summary, positions and responsibility:

Keiko Yamahira

(Date of birth: November 30, 1960; Age: 60)

For election | Outside Director | Independent officer

Number of the Company's shares held:
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April 1983	Joined Kubota House Co., Ltd. (now Sanyo Homes Corporation)	June 2015	President and Representative Director, Sanyo Homes Corporation
April 2010	Executive Officer, Sanyo Homes Corporation	April 2017	Chairperson, Sanyo Homes Community Corporation
June 2011	Director and Executive Officer, Sanyo Homes Corporation	June 2019	Outside Director, Joshin Denki Co., Ltd. (incumbent)
June 2012	Director, Sanyo Reform Co., Ltd. (concurrent position)		Outside Director, Fujitec Co., Ltd. (incumbent)
June 2013	Director and Senior Executive Officer, Sanyo Homes Corporation Director, Sun Advance, Inc. (concurrent position) Director, Sanyo Homes Community Corporation (concurrent position)		

[Significant concurrent holding of positions] Outside Director, Joshin Denki Co., Ltd.
Outside Director, Fujitec Co., Ltd.

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Ms. Keiko Yamahira has extensive experience and broad knowledge as a business manager in the real estate industry. Therefore, the Company believes that she will contribute to the improvement of its supervisory functions and nominates her as a candidate for appointment as an Outside Director. If elected as an Outside Director, Ms. Yamahira is expected to advise the Company on promoting sustainable growth, the increase of its corporate value over medium- to long-term and the developing management policies and strategies from a broad perspective, including her insight into corporate management and diversity. She is also expected to fulfill her duties, including appropriate evaluation and supervision of operations, through her roll in decisions on the remuneration, election and dismissal of Directors as a member of the remuneration advisory committee and nomination advisory committee.

(Note 1) The age of each candidate is as of the close of this Ordinary General Meeting of Shareholders.
(Note 2) There are no special interests between each candidate for Director and the Company.
(Note 3) Mr. Kenji Kawada, Mr. Kentaro Taniguchi, Ms. Chiaki Tsuji and Ms. Keiko Yamahira are candidates for Outside Director. Mr. Kenji Kawada and Mr. Kentaro Taniguchi have been reported as independent officers pursuant to the provisions of Tokyo Stock Exchange, Inc. If elected as proposed, they will continue to serve as independent officers. If Ms. Chiaki Tsuji and Ms. Keiko Yamahira are elected as proposed, they will serve as new independent officers.
(Note 4) Mr. Kenji Kawada is currently the Company's Outside Director and will have served as Outside Director for four years upon the conclusion of this Ordinary General Meeting of Shareholders.
(Note 5) Mr. Kentaro Taniguchi is currently the Company's Outside Director and will have served as Outside Director for one year upon the conclusion of this Ordinary General Meeting of Shareholders.
(Note 6) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company concludes a contract with Mr. Kenji Kawada and Mr. Kentaro Taniguchi to limit their liabilities as stipulated in Article 423, Paragraph 1 of the Companies Act. Based on the contract, their liability is limited to the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act, and if the reappointment of Mr. Kawada and Mr. Taniguchi is approved, the contract with them will be continued. If Ms. Chiaki Tsuji and Ms. Keiko Yamahira are appointed, the Company will sign equivalent contracts with them to limit their liability.
(Note 7) The Company signs a directors and officers liability insurance policy as specified in paragraph 1, Article 430-3 of the Companies Act to cover damages such as compensation and legal expenses if a damage compensation claim is filed against the insured for his/her acts in the performance of his/her duties. The candidates will be insured through such an insurance policy if they take office as Director. In March 2022, the Company will renew the insurance policy with the same terms and conditions.
(Note 8) Mr. Kenji Kawada is the former Representative Executive Officer and President of Resona Holdings, Inc., which is the holding company of Resona Bank, Limited, the Company's lender. But the Company's borrowing from Resona Bank, Limited is a negligible percentage of its total loans, and ten years have already passed since he resigned as Executive Officer of Resona Holdings, Inc. The Company therefore considers that this fact does not affect his independence.

Reference: Matters concerning liability insurance for directors and officers

The Company has signed a directors and officers liability insurance policy with an insurance company pursuant to the provisions of paragraph 1, Article 430-3 of the Companies Act, insuring all Directors, Auditors, Executive Officers, and employees engaging in the management, supervision, and guidance of the Company and its subsidiaries (excluding Takara PAG Real Estate Advisory Limited).

An overview of the insurance policy is provided below.

- If a corporate lawsuit, shareholders' derivative lawsuit, or third-party lawsuit is filed, the insurance policy will cover compensation for damages, legal fees, and other expenses incurred by the insured.
- The insurance will not cover any damages caused by criminal acts, misconduct, or other inappropriate acts of directors and officers to ensure the insured directors and officers' appropriate performance of their duties.

Proposal 3	Election of One (1) Substitute Auditor

The effective tenure of the substitute auditor, Mr. Shunji Kimura, who was elected at the 48th Ordinary General Meeting of Shareholders held on June 29, 2020, will expire at the beginning of this General Meeting. In preparation for the case where the number of members of the Audit & Supervisory Board falls short of the number stipulated in laws and ordinances, the Company would like to request the election of one substitute auditor.

The consent of the Audit & Supervisory Board has been obtained regarding this proposal.

The candidate for substitute auditor is as follows.

Masanori Otsubo (Date of birth: October 24, 1957; Age: 63) Independent officer / Outside Auditor Number of the Company's shares held: –	Career summary and positions: April 1980 Joined Otsubo Haruyuki Accounting Firm April 1984 Joined Nishio Certified Accountant Firm September 1986 Established Otsubo Masanori Tax Accountant Firm (current position) May 2014 Auditor, Leben Community Co., Ltd. (incumbent) June 2018 Auditor, Takara Leben West Japan Co., Ltd. Reasons for nomination of the candidate for Substitute Outside Auditor Mr. Masanori Otsubo has been involved in the fields of tax affairs, accounting, general business management and internal control for many years as a tax accountant. The Company expects that his advanced expertise developed in his career as a tax accountant will enable him to contribute to its audit system.

(Note 1) There are no special interests between Mr. Masanori Otsubo and the Company.

(Note 2) Mr. Masanori Otsubo is a candidate for substitute outside auditor.

(Note 3) If Mr. Masanori Otsubo assumed the office of Auditor, the Company will conclude a contract to limit his liabilities as stipulated in Article 423, Paragraph 1 of the Companies Act with him to set the limit of his liabilities to the minimum liability amount stipulated in Article 425, Paragraph 1 of the said Act pursuant to the provisions of Article 427, Paragraph 1 of the said Act.

(Note 4) The Company signs a directors and officers liability insurance policy as specified in paragraph 1, Article 430-3 of the Companies Act to cover damage such as compensation and legal expenses if a damage compensation claim is filed against the insured for his/her acts in the performance of his/her duties. Mr. Otsubo will be insured through this insurance policy if he takes office as an Auditor. In March 2022, the Company will renew the insurance policy with the same terms and conditions.

Proposal 4	Amount of compensation through stock options for directors and revision of details

To make clearer the link that executive compensation has with results at the Company and the value of its shares, and to improve results over the medium to long term while bolstering the motivation to contribute to enhancing corporate value, the Company introduced stock compensation-type stock options in 2012. Subsequent revisions have been approved by the general meeting of shareholders. At present, the annual amount of compensation through stock options is limited to 300 million yen maximum, the stock acquisition rights are limited to 1,200 maximum, and the number of shares subject to a stock acquisition right is 400.

The purpose of this proposal is to ask the general meeting of shareholders to approve changing the method for evaluating Directors to create a stronger link between the compensation structure and results and each Director's contribution and changing the annual amount of compensation through stock options for the Directors to 600 million yen maximum in consideration of circumstances, including changes in economic conditions.

In addition to the change in the amount of compensation, we propose to make changes to the details of the stock acquisition rights, such as the number of stock acquisition rights, and to change the details of the stock acquisition rights allotted as stock compensation-type stock options that were approved at the 43rd Ordinary General Meeting of Shareholders held on June 24, 2015, as described below.

If Proposal 2: Election of Twelve (12) Directors is approved, the stock acquisition rights will be allotted to eight Directors of the Company.

1. Details of stock acquisition rights allotted as stock compensation-type stock options

(1) Number of stock acquisition rights

The number of Type A Stock Acquisition Rights and Type B Stock Acquisition Rights (hereinafter collectively "Stock Acquisition Rights") to be issued in a fiscal year shall be 9,600 at maximum. If it is appropriate to change the number of shares due to a merger, the issuance of shares for subscription, a demerger, a stock split, or a reverse stock split, among other occasions, the Company shall make the adjustments that it deems necessary.

(2) Class and number of shares subject to Stock Acquisition Rights

The class of shares subject to Stock Acquisition Rights shall be the common stock of the Company. The number of shares subject to a Stock Acquisition Right (hereinafter "Number of Granted Shares") shall be 100. The number of common shares to be delivered when Stock Acquisition Rights issued in a fiscal year are exercised shall be 960,000 at maximum.

If the Company executes a stock split (including the free allotment of shares; the same applies hereinafter) or a

reverse stock split, the Number of Granted Shares shall be adjusted using the formula below, and the result shall be rounded down to the nearest integer. The adjustment shall be made to the number of shares subject to the Stock Acquisition Rights that have not been exercised at the time of the adjustment.

Number of Granted Shares after adjustment
= Number of Granted Shares before adjustment × Stock split ratio or reverse stock split ratio

If the Number of Granted Shares needs to be adjusted when the Company executes a merger, a demerger, a free allotment of shares, or on other occasions, the Number of Granted Shares shall be adjusted appropriately within a reasonable degree.

(3) Amount to be paid in for Stock Acquisition Rights

The amount to be paid in for Stock Acquisition Rights shall be a fair appraisal value calculated under the Black Scholes model on the date of allotment of the Stock Acquisition Rights. To the persons that Stock Acquisition Rights are allotted to (hereinafter "Stock Acquisition Rights Holders"), monetary remuneration equivalent to the total amount to be paid in for the Stock Acquisition Rights shall be paid. The Stock Acquisition Rights shall be acquired as a result of offsetting the obligation to pay the amount to be paid for the Stock Acquisition Rights by the compensation claim.

(4) Value of the property to be contributed at the time of exercise of Stock Acquisition Rights

The value of the property to be contributed when Stock Acquisition Rights are exercised shall be the amount to be paid in for a share to be delivered at the time of exercise of the Stock Acquisition Rights (hereinafter "Exercise Price"), which is 1 yen, multiplied by the number of shares to be granted.

(5) Conditions for exercising Stock Acquisition Rights

Type A Stock Acquisition Rights

The Stock Acquisition Rights Holder may exercise all Stock Acquisition Rights allotted to him/her from the date of issuance of the Stock Acquisition Rights. The Stock Acquisition Rights Holder may not sell any Stock Acquisition Rights acquired through the exercise of the Stock Acquisition Rights in the fiscal year when the Stock Acquisition Rights are issued.

Type B Stock Acquisition Rights

1) The Stock Acquisition Rights Holder may exercise the Stock Acquisition Rights allotted to him/her from the day following the day when he/she has relinquished his/her post of Director and post of Executive Officer.
2) Irrespective of (i) above, the Stock Acquisition Rights Holder may not exercise any Stock Acquisition Rights allotted to him/her if either of the following items applies:

(i) The Stock Acquisition Rights Holder has relinquished his/her post of Director and post of Executive Officer for any reason other than his/her death (if one year or less has passed since the date of allotment, the retirement etc. described in (ii) below shall be excluded) and ten days have passed since the date following the day of the loss of the posts.

(ii) The Stock Acquisition Rights Holder has relinquished his/her post of Director and post of Executive Officer within one year of of the date of allotment due to retirement etc. (voluntary resignation or retirement, or dismissal or disciplinary action by resolution of the Company's general meeting of shareholders or the Board of Directors).

Conditions for the exercise of other rights shall be determined by the Company's Board of Directors.

(6) Period for exercise of Stock Acquisition Rights

The period shall be determined by the Company's Board of Directors within 40 years from the day immediately following the date of allotment.

(7) Restriction of acquisition of Stock Acquisition Rights by transfer

The acquisition of Stock Acquisition Rights by transfer shall require the approval of the Company's Board of Directors.

(8) Matters related to the acquisition of Stock Acquisition Rights

1) If a merger agreement under which the Company will be a merged company, a demerger agreement or a demerger plan on a demerger under which the Company will be a splitting company, or a share exchange agreement or a share transfer plan under which the Company will be a wholly owned subsidiary is approved by the general meeting of shareholders (or resolved by the Board of Directors if the approval of the general meeting of shareholders is not required), the Company may acquire all Stock Acquisition Rights without compensation on a date to be separately determined by the Board of Directors of the Company.
2) If the Stock Acquisition Rights Holder becomes unable to exercise Stock Acquisition Rights before he/she exercises the Stock Acquisition Rights under the provisions of (5), the Company may acquire the Stock Acquisition Rights without compensation.

(9) Other details of Stock Exchange Rights

The details of the provisions of (1) through (8) and other details of the Stock Acquisition Rights shall be determined by the Board of Directors of the Company.

2. Reasonable grounds for granting Stock Acquisition Rights

At a meeting held on February 15, 2021, the Board of Directors adopted a policy on determining compensation etc. for individual Directors. A summary of the policy is as stated below. The granting of Stock Acquisition Rights under this proposal is in line with the policy. The shares to be issued when the Stock Acquisition Rights are exercised account for 0.79% of the outstanding shares and the dilution rate is minor and insignificant. For those reasons, we believe this proposal is reasonable.

Reference: Policy on determining compensation etc. for individual Directors

A. Process for determining the policy

The policy has been deliberated and approved at the compensation advisory committee. The Board of Directors has approved the draft policy approved by the compensation advisory committee and has determined the policy. At a meeting of the Board of Directors held on February 15, 2021, the Board resolved to adopt the policy on determining compensation etc. for individual Directors.

B. Overview of the policy

a. Basic policy

The Company shall determine compensation etc. for officers within a range resolved by the general meeting of shareholders, in comprehensive consideration of results, potential risks, the degree of responsibility for Group management, progress of the medium-term management plan, etc., based on the opinions of the compensation advisory committee, a voluntary committee. A certain percentage of compensation for the executive directors shall be linked to results and each Director's contribution to give incentive to them for sustainable growth and a sound, efficient, stable going concern.

The details of the basic policy on compensation for executive directors are as follows:

- Contributing to increasing the corporate value of the Company
- A level and a structure of compensation that enable the retention of high-quality human resources
- Designed to reflect the Company's medium- to long-term management plan and motivating executive directors to achieve it
- Giving transparency, fairness and reasonableness to shareholders, employees, and other stakeholders and determined through an appropriate process to ensure transparency, fairness and reasonableness
- Determined based on a compensation structure that is designed to include base compensation, linkage with individual evaluation and results

b. Policy for the determination of the amount of basic compensation (monetary compensation) for individual Directors (including a policy for the determination of time or conditions for giving compensation, etc.)

The Company shall determine basic compensation (monetary compensation) for the Directors based on scores on a five-point scale in five criteria stated below (P-C-F-P-A assessment) according to their achievements for every fiscal year and a comprehensive consideration of their job titles, responsibilities and years in office, as well as compensation levels in the industry and at other companies and employees' salaries, among other factors. Basic compensation is determined after the compensation advisory committee has given its opinion. Annual compensation is divided by 12, and monthly compensation shall be paid.

- Performance: results in the division for which each Director is responsible
- Compliance: legal compliance, morals, etc.
- Foresight: the ability to assess and analyze the situation, the ability to prepare business plans
- Physical: the ability to promote business
- Affinity: the ability to build relationships

c. Policy for the determination of the content and amount of, or method of calculation of, performance-based compensation, etc. and non-monetary compensation, etc. (including a policy for the determination of time or conditions for granting compensation, etc.)

The Company's non-monetary compensation is compensation through stock options. In principle, stock options shall be issued if the performance targets in a fiscal year are achieved. Whether stock options as compensation will be granted and the number of stock options granted, if they are granted, will be determined depending on the evaluation of each executive director's achievement of results. Performance indicators, or targets, shall be set each year and

shall be reviewed in response to changes in the environment as needed.

Stock options as compensation consist of Type A Stock Acquisition Rights, which may be exercised after a certain period, and Type B Stock Acquisition Rights, which may be exercised when Directors retire.

d. Policy for the determination of the ratio of the amount of basic compensation, performance-based compensation, etc. or non-monetary compensation etc. to the amount of compensation, etc. for individual Directors

In principle, the ratio of the Directors' basic compensation to compensation through stock options (Type A Stock Options, which may be exercised after a certain period) to Type B Stock Options (which may be exercised when Directors retire) shall be 5 to 4 to 1.

Compensation for individual Directors shall be determined by the compensation advisory committee. The compensation advisory committee shall report the total amount of payments to the Board of Directors each time payments are made.