Notice of the 11th Annual General Meeting of Shareholders

SBI ARUHI Corporation

Securities Code: 7198

To Our Shareholders

We would like to express our deep appreciation to all of our shareholders for your continued support. We are sending this notice of convocation as we will shortly be holding the 11th Annual General Meeting of Shareholders.

In the fiscal year ended March 31, 2025, the number of applications accepted for Flat 35 turned positive year-on-year from the third quarter onward, amid the narrowing gap between fixed and variable interest rates following the Bank of Japan's interest rate hike since October 2024. Additionally, the number of Flat 35 loans executed in the fourth quarter marked a year-on-year increase for the first time in three years and nine months. On the other hand, we implemented structural reforms, including a full withdrawal from the new businesses launched under the previous Medium-Term Strategic Plan. As a result, we revised our earnings forecast downward. Nevertheless, we achieved year-on-year increases in both revenue and profit for the first time in four fiscal years.

As outlined in our recently announced Medium-Term Strategic Plan 2025, we are committed to becoming a leading company in the housing finance field. To this end, we are pursuing the following three key objectives: (1) Achieving an overwhelming No. 1 annual market share in Flat 35 loans; (2) Exploring new growth areas in housing finance; and (3) Restoring double-digit ROE by increasing stock-type revenue.

In the fiscal year ending March 31, 2026, the first year of our Medium-Term Strategic Plan 2025, we will firmly seize the emerging tailwinds for fixed-rate housing loan products to ensure continued revenue and profit growth. At the same time, we will strengthen our sales network to achieve a record-high market share in Flat 35 loans, while laying a solid business foundation for SBI Credit Guarantee, our new business initiative.

We appreciate your continuing support for SBI ARUHI Corporation.

Tsutomu Ikuma
Representative Director, President, CEO and COO

Securities Code: 7198

To our shareholders:

Date of sending by postal mail: June 6, 2025
Start date of measures for electronic provision: May 28, 2025

Tsutomu Ikuma
Representative Director, President,
CEO and COO
SBI ARUHI Corporation
1-4-3 Hirakawa-cho, Chiyoda-ku, Tokyo

Notice of the 11th Annual General Meeting of Shareholders

The 11th Annual General Meeting of Shareholders of SBI ARUHI Corporation (the "Company") will be held for the purposes as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders (matters subject to measures for electronic provision) in electronic format, and posts this information as "Notice of the 11th Annual General Meeting of Shareholders" and "Materials for the 11th Annual General Meeting of Shareholders (Matters not Presented in Paper-based Documents Delivered Pursuant to Request for Paper-based Document Delivery on the Basis of Laws and Regulations and the Articles of Incorporation from among Matters Subject to Measures for Electronic Provision)" on the Company's website. Please access the Company's website by using the internet address shown below to review the information.

Website of the Company: https://www.sbiaruhi-group.jp/ir/stockinfo/shareholders (in Japanese)

In addition, the information can also be reviewed from the following website.

Website for posted informational materials for the General Meeting of Shareholders:
https://d.sokai.jp/7198/teiji/ (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights by mail, via the Internet, etc., so despite the inconvenience, we ask that you review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights before 5:45 p.m. (JST) on Monday, June 23, 2025.

[Voting by mail]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received before 5:45 p.m. (JST) on Monday, June 23, 2025.

[Voting via the Internet, etc.]

Please refer to the "Exercise of Voting Rights via the Internet, etc." (in Japanese text only) and indicate your approval or disapproval of the proposals before 5:45 p.m. (JST) on Monday, June 23, 2025.

1.	**Date and Time:**	10:00 a.m. (JST) on Tuesday, June 24, 2025	
2.	**Venue:**	Belle Salle Toranomon Sumitomo Fudosan Toranomon Tower (former JT Building) 2F 2-2-1 Toranomon, Minato-ku, Tokyo	
3.	**Purpose:**	(1) Matters to be reported	1. Report on the Business Report and Consolidated Financial Statements and the results of audits by Financial Auditors and the Audit & Supervisory Board for Consolidated Financial Statements for the 11th Fiscal Year (from April 1, 2024 to March 31, 2025) 2. Report on the Non-consolidated Financial Statements for the 11th Fiscal Year (from April 1, 2024 to March 31, 2025)
		(2) Matters to be resolved	Proposal No. 1: Appropriation of Surplus Proposal No. 2: Partial Amendments to the Articles of Incorporation Proposal No. 3: Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) Proposal No. 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members Proposal No. 5: Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member Proposal No. 6: Amount of Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) Proposal No. 7: Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members Proposal No. 8: Share-based Remuneration Plan for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

Rules determined in advance of convocation:

1. If attending the meeting in person, please present the enclosed voting form to the receptionist at the meeting. Also, in order to conserve resources, please bring the notice of convocation with you.
2. Please note that persons other than shareholders who are entitled to exercise their voting rights, such as proxies and accompanying persons who are not shareholders, will not be admitted.
3. If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's website (https://www.sbiaruhi-group.jp/ir/stockinfo/shareholders) (in Japanese) and the website for posted informational materials for the General Meeting of Shareholders.
4. Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Audit & Supervisory Board Members and the Financial Auditor have audited the documents subject to audit, including the following matters.
   (1) "Matters concerning Share Acquisition Rights, etc." and "Structures for Ensuring Appropriate Operations and Operational Status of Said Structures" in the Business Report
   (2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
   (3) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements
   (4) Audit Report on Consolidated Financial Statements and Non-consolidated Financial Statements
   (5) Audit Report of the Audit & Supervisory Board

Information on Exercise of Voting Rights, etc.

The right to vote at the General Meeting of Shareholders is a principal right of shareholders. Please exercise your voting rights by one of the following three methods.

1. Exercise of Voting Rights by attending the General Meeting of Shareholders
2. Exercise of Voting Rights by mail
3. Exercise of Voting Rights via the Internet, etc.

(1) If you exercise your voting rights both in writing and via the internet, etc., we will consider the exercise via the internet, etc. to be valid.

(2) If you exercise your voting rights more than once via the internet, etc., we will consider the final vote to be effective.

Electronic Voting Platform for Institutional Investors

If the application for the use of the electronic voting platform (ProxyEdge) operated by ICJ, Inc.* is made in advance, nominal shareholders such as management trust banks, including standing proxies, may use such platform as their electronic or magnetic means of voting rights for the Company's General Meeting of Shareholders, other than by exercising voting rights via the internet.

*A joint venture company established by Tokyo Stock Exchange, Inc. and Broadridge Financial Solutions, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

In accordance with our dividend policy, the Company proposes to pay the following amount of fiscal year end dividends for the current fiscal year.

Type of dividend property	Cash
Allotment of dividend property and total amount to be paid	20.00 yen per common share of the Company Total dividends: 887,056,200 yen
Effective date of dividends of surplus	June 25, 2025

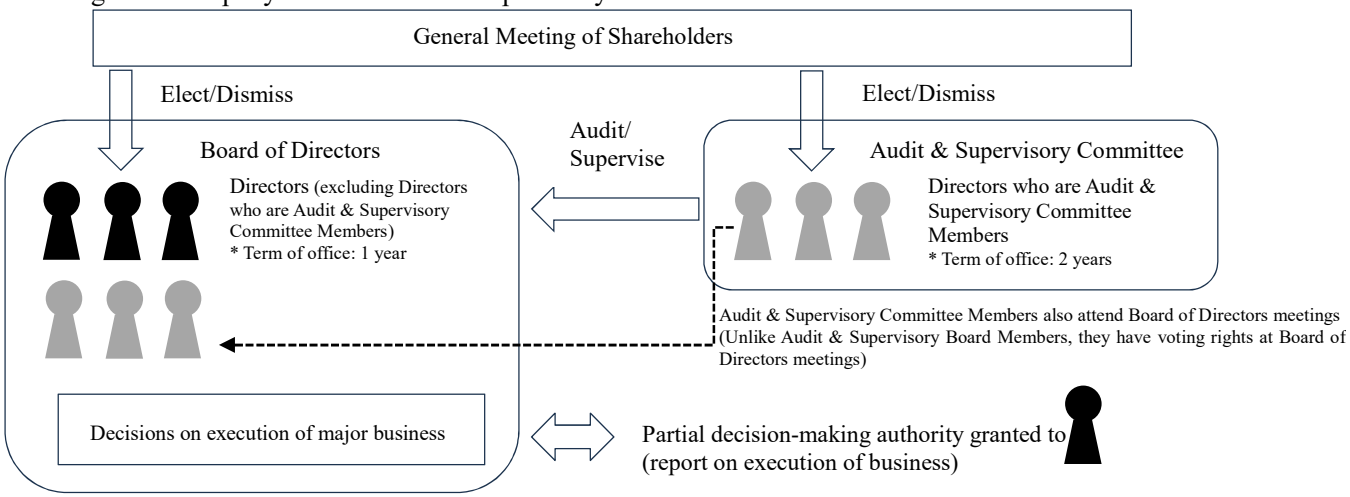
The Company's dividend policy is as follows:

The Company recognizes that both distribution of profits to shareholders and sustained corporate growth are top management priorities, and the Articles of Incorporation allow the Company to pay interim dividends once a year in addition to fiscal year-end dividends. Based on this, the Company has set out a basic policy to comprehensively take into account the level of ROE and financial leverage and to use a certain level of internal reserves to invest in growth to further boost corporate value while continuously and stably paying dividends of surplus. Specifically, the Company has set respective minimum levels for the dividend payout ratio of 35 to 40% and the dividends on equity ratio (DOE) of about 4%. The organizational functions that approve the dividends of surplus are the General Meeting of Shareholders for fiscal year-end dividends and the Board of Directors for interim dividends.

Reference information common to Proposal No. 2 to Proposal No. 8

Proposal No. 2 to Proposal No. 8 for deliberation at this General Meeting are all related to the transition to a company with an Audit & Supervisory Committee. In presenting these proposals, we explain as follows the image of a company with an Audit & Supervisory Committee, a comparison of the system with that of a company with an Audit & Supervisory Board, and the structure of our company after the transition.

1. Image of a company with an Audit & Supervisory Committee



2. System comparison between a company with an Audit & Supervisory Board and a company with an Audit & Supervisory Committee, and the post-transition company structure

	Company with an Audit & Supervisory Board (current system)	Company with an Audit & Supervisory Committee (post transition)	
Organizational functions that change	Audit & Supervisory Board Member, Audit & Supervisory Board	Audit & Supervisory Committee	Proposal No. 2
Election	Election of Directors and Audit & Supervisory Board Members	Separate election of Directors who are Audit & Supervisory Committee Members and other Directors	
Terms of office	Directors: 2 years (1 year at the Company) Audit & Supervisory Board Members: 4 years	Directors (excluding Directors who are Audit & Supervisory Committee Members): 1 year Directors who are Audit & Supervisory Committee Members: 2 years	
Decisions on execution of major business	Cannot be entrusted to the Board of Directors	Can be entrusted in part or in whole to Directors (excluding Directors who are Audit & Supervisory Committee Members), except for statutory matters	
Right to express opinions on election of and remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)	No	Yes (Audit & Supervisory Committee Members selected by the Audit & Supervisory Committee can express opinions of the Audit & Supervisory Committee at General Meetings of Shareholders)	

Number of officers	Five (5) Directors (of whom two (2) are Outside Directors)	Three (3) Directors (excluding Directors who are Audit & Supervisory Committee Members) (of whom none are Outside Directors)	Proposal No. 3
	Three (3) Audit & Supervisory Board Members (of whom three (3) are Outside members)	Three (3) Directors who are Audit & Supervisory Committee Members (of whom three (3) are Outside Directors)	Proposal No. 4 Proposal No. 5
	–	Total of six (6) Directors (of whom three (3) are Outside Directors)	
Maximum amount of officer remuneration	Directors: Annual amount of 500 million yen or less (includes portion for Outside Directors)	Directors (excluding Directors who are Audit & Supervisory Committee Members): Annual amount of 300 million yen or less	Proposal No. 6
	Audit & Supervisory Board Members: Annual amount of 60 million yen or less	Directors who are Audit & Supervisory Committee Members: Annual amount of 50 million yen or less	Proposal No. 7
Maximum amount of monetary remuneration and number of shares under the share-based remuneration plan	Directors (excluding Outside Directors) Total amount of remuneration: Annual amount of 200 million yen or less Total number of shares: Within 100,000 shares per year	Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) Total amount of remuneration: Annual amount of 100 million yen or less Total number of shares: Within 50,000 shares per year	Proposal No. 8

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

   The Company proposes to transition to a company with an Audit & Supervisory Committee in order to further strengthen its ability to respond to rapid changes in the business environment surrounding the Company's group (the "Group") and to achieve sustainable growth and enhance corporate value over the medium to long term. By delegating authority over important business execution decisions to executive directors, the Company aims to accelerate decision-making. At the same time, the Board of Directors will focus on deliberating important management issues, such as management policies and strategies, as well as significant risks facing the Group, thereby enhancing the speed of decision-making of management and ensuring appropriate responses to these issues.

   In accordance with the transition, the Company will make the necessary amendments to its Articles of Incorporation, including the establishment of new provisions on Audit & Supervisory Committee Members and the delegation of authority to Directors in making important business execution decisions, as well as the deletion of provisions on the Audit & Supervisory Board and Audit & Supervisory Board Members.

   This amendment to the Articles of Incorporation will become effective at the conclusion of this General Meeting of Shareholders.

2. Details of the amendments

   Details of the proposed amendments are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
Chapter I General provisions	Chapter I General provisions
Articles 1–3 <Text omitted>	Articles 1–3 <Unchanged>
Article 4 (Organizational functions) In addition to the General Meeting of Shareholders and the Board of Directors, the Company has the following organizational functions in place. (1) Board of Directors (2) Audit & Supervisory Board Member (3) Audit & Supervisory Board (4) Financial Auditor	Article 4 (Organizational functions) In addition to the General Meeting of Shareholders and the Board of Directors, the Company has the following organizational functions in place. (1) Board of Directors (2) Audit & Supervisory Committee <Deleted> (3) Financial Auditor
Article 5 <Text omitted>	Article 5 <Unchanged>
Chapter II Shares of stock	Chapter II Shares of stock
Articles 6–11 <Text omitted>	Articles 6–11 <Unchanged>
Chapter III General Meeting of Shareholders	Chapter III General Meeting of Shareholders
Articles 12–17 <Text omitted>	Articles 12–17 <Unchanged>
Chapter IV Directors and Board of Directors	Chapter IV Directors and Board of Directors

Article 18 (Number of members) The Company shall have no fewer than three (3) Directors.	Article 18 (Number of members) 1 The Company shall have no more than ten (10) Directors.
<Newly established>	2 Of the Directors in the preceding paragraph, not more than five (5) shall be Directors who are Audit & Supervisory Committee Members.
Article 19 (Election) 1 Directors shall be elected at the General Meeting of Shareholders.	Article 19 (Election) 1 Directors shall be elected at the General Meeting of Shareholders separately for Directors who are Audit & Supervisory Committee Members and for those who are not Members.
<Newly established>	2 In the event that the number of Directors who are Audit & Supervisory Committee Members is short of the number stipulated in laws and regulations, the Company shall elect Substitute Directors who are Audit & Supervisory Committee Members at the General Meeting of Shareholders.
2 <Text omitted>	3 <Unchanged>
3 <Text omitted>	4 <Unchanged>
<Newly established>	5 The preliminary election of a Substitute Director who is an Audit & Supervisory Committee Member shall be effective until the start of the Annual General Meeting of Shareholders held in respect of the last fiscal year ending within the two (2) year period following such election.
Article 20 (Terms of office) The term of office of Directors shall expire at the close of the Annual General Meeting of Shareholders held in respect of the last fiscal year ending within the one (1) year period after their election. The term of office of Directors elected as a result of an increase in the number of Directors or as a Substitute Director shall be the same as the remaining term of office of the preceding Director or other Directors then in office.	Article 20 (Terms of office) 1 The term of office of Directors (excluding Directors who are Audit & Supervisory Committee Members) shall expire at the close of the Annual General Meeting of Shareholders held in respect of the last fiscal year ending within the one (1) year period after their election.
<Newly established>	2 The term of office of Directors who are Audit & Supervisory Committee Members shall expire at the close of the Annual General Meeting of Shareholders held in respect of the last fiscal year ending within the two (2) year period after their election.
<Newly established>	3 The term of office of Directors who are Audit & Supervisory Committee Members who were elected as substitute for Directors who are Audit & Supervisory Committee Members who retired before the completion of their term of office shall expire at the end of the term of office of the Directors who are Audit & Supervisory Committee Members that retired.

Article 21 (Directors and Directors with special titles) 1 The Representative Director shall be selected by a resolution of the Board of Directors. 2 By its resolution, the Board of Directors may select one person each for Director and Chairperson and Director and President and may select several persons each for Director and Vice Chairperson, Director and Executive Vice President, Senior Managing Director and Managing Director.	Article 21 (Directors and Directors with special titles) 1 The Representative Director shall be selected <u>among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u> by a resolution of the Board of Directors. 2 By its resolution, the Board of Directors may select <u>among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u> one person each for Director and Chairperson and Director and President and may select several persons each for Director and Vice Chairperson, Director and Executive Vice President, Senior Managing Director and Managing Director.
Article 22 (Convocation, chairperson and method of resolution) 1 <Text omitted> 2 <Text omitted> 3 Notice of convocation of a meeting of the Board of Directors shall be issued to each Director <u>and each Audit & Supervisory Board Member</u> at least three (3) days before the scheduled date of such meeting. However, this period may be shortened in cases of urgency. 4 <Text omitted>	Article 22 (Convocation, chairperson and method of resolution) 1 <Unchanged> 2 <Unchanged> 3 Notice of convocation of a meeting of the Board of Directors shall be issued to each Director at least three (3) days before the scheduled date of such meeting. However, this period may be shortened in cases of urgency. 4 <Unchanged>
Article 23 (Resolution omitted) If a Director submits a proposal with respect to a matter which is the purpose of the resolution of a Board of Directors meeting, if all Directors (as limited to those entitled to participate in votes with respect to such matter) manifest their intention to agree to such proposal in writing or by means of electromagnetic records, then it shall be deemed that the resolution to approve this proposal at the Board of Directors meeting has been adopted. <u>However, if any Audit & Supervisory Board Member objects to the proposal, then it shall not be so deemed.</u>	Article 23 (Resolution omitted) If a Director submits a proposal with respect to a matter which is the purpose of the resolution of a Board of Directors meeting, if all Directors (as limited to those entitled to participate in votes with respect to such matter) manifest their intention to agree to such proposal in writing or by means of electromagnetic records, then it shall be deemed that the resolution to approve this proposal at the Board of Directors meeting has been adopted.
Article 24 (Record of proceedings) The substance of proceedings of the Board of Directors meeting, the results of the meeting, the name(s) of those opposed to a resolution and the reason for opposition, and other matters stipulated in laws and regulations shall be entered or recorded in the record of proceedings, and the Directors <u>and Audit & Supervisory Board Members</u> in attendance shall sign their names and affix their seals or provide an electronic signature.	Article 24 (Record of proceedings) The substance of proceedings of the Board of Directors meeting, the results of the meeting, the name(s) of those opposed to a resolution and the reason for opposition, and other matters stipulated in laws and regulations shall be entered or recorded in the record of proceedings, and the Directors in attendance shall sign their names and affix their seals or provide an electronic signature.

<Newly established>	Article 25 (Delegation of important business execution decisions) As provided for under Article 399-13, paragraph 6 of the Companies Act, the Company may delegate decisions on the execution of major business (excluding matters listed in each item of paragraph 5 of the same article) by resolution of the Board of Directors in whole or in part to Director(s).
Article 25 <Text omitted>	Article 26 <Unchanged>
Article 26 (Remuneration) Financial benefits received from the Company as consideration for the execution of the duties such as remuneration and bonuses of Directors shall be determined by a resolution of the General Meeting of Shareholders.	Article 27 (Remuneration) Financial benefits received from the Company as consideration for the execution of the duties such as remuneration and bonuses of Directors shall be determined separately for Directors who are Audit & Supervisory Committee Members and Directors who are not Members by resolution of the General Meeting of Shareholders.
Article 27 (Exemption of liability of Directors) 1 <Text omitted> 2 Regarding liability for damages under Article 423, paragraph 1 of the Companies Act, the Company may sign contracts with Directors (excluding those who are executive directors or managers and other employees) to limit their liability for damages if the contract meets requirements provided for in laws and regulations. However, the limit of liability under such contracts is the minimum amount specified in laws and regulations.	Article 28 (Exemption of liability of Directors) 1 <Unchanged> 2 Regarding liability for damages under Article 423, paragraph 1 of the Companies Act, the Company may sign contracts with Directors (excluding those who are executive directors) to limit their liability for damages if the contract meets requirements provided for in laws and regulations. However, the limit of liability under such contracts is the minimum amount specified in laws and regulations.
Chapter V Audit & Supervisory Board Members and Audit & Supervisory Board	<Deleted>
Article 28 (Number of Audit & Supervisory Board Members) The Company shall establish an Audit & Supervisory Board with no more than three (3) Members.	<Deleted>

Article 29 (Election) 1 The Audit & Supervisory Board Members are elected at the General Meeting of Shareholders. 2 The Audit & Supervisory Board Members shall be elected by a resolution of the General Meeting of Shareholders, and such resolution shall be approved by a majority of the voting rights of the shareholders present at a meeting where shareholders holding at least one-third (1/3) of the voting rights of the shareholders who are entitled to exercise their voting rights are present.	<Deleted>
Article 30 (Election of Substitute Audit & Supervisory Board Members) 1 In the event that the number of Audit & Supervisory Board Members is short of the number stipulated in laws and regulations, the Company shall elect Substitute Audit & Supervisory Board Members at the General Meeting of Shareholders. 2 Substitute Audit & Supervisory Board Members shall be elected by a resolution of the General Meeting of Shareholders, and such resolution shall be approved by a majority of the voting rights of the shareholders present at a meeting where shareholders holding at least one-third (1/3) of the voting rights of the shareholders who are entitled to exercise their voting rights are present. 3 The election of a Substitute Audit & Supervisory Board Member is effective until the start of the first Annual General Meeting of Shareholders held after such election.	<Deleted>
Article 31 (Terms of office) The term of office of an Audit & Supervisory Board Member shall expire at the close of the Annual General Meeting of Shareholders held in respect of the last fiscal year ending within the four (4) year period following his or her election. The term of office of an Audit & Supervisory Board Member elected as a result of substitution shall be the same as the remaining term of office of the preceding Audit & Supervisory Board Member.	<Deleted>

Article 32 (Convocation and method of resolution) 1 Notice of convocation of a meeting of the Audit & Supervisory Board shall be issued to each Audit & Supervisory Board Member at least three (3) days before the scheduled date of such meeting. However, this period may be shortened in cases of urgency. 2 Resolutions of the Audit & Supervisory Board shall be approved by a majority of the Audit & Supervisory Board Members except when otherwise provided for in laws and regulations.	<Deleted>
Article 33 (Full-time Audit & Supervisory Board Members) The Audit & Supervisory Board shall select full-time Audit & Supervisory Board Member(s) by resolution of the Board.	<Deleted>
Article 34 (Remuneration) Financial benefits received from the Company as consideration for the execution of the duties such as remuneration and bonuses of Audit & Supervisory Board Members shall be determined by a resolution of the General Meeting of Shareholders.	<Deleted>
Article 35 (Exemption of liability of Audit & Supervisory Board Members) 1 Regarding liability for damages under Article 423, paragraph 1 of the Companies Act, the Company, by resolution of the Board of Directors, may exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages up to the amount obtained by deducting the minimum liability provided for in laws and regulations from the amount of liability for damages if the requirements provided for in laws and regulations are met. 2 The Company may sign contracts with Audit & Supervisory Board Members to limit their liability for damages if the contract meets requirements provided for in laws and regulations such as those provisions regarding liability for damages under Article 423, paragraph 1 of the Companies Act. However, the limit of liability under such contracts is the minimum amount specified in laws and regulations.	<Deleted>

<Newly established>	Chapter V Audit & Supervisory Committee
<Newly established>	Article 29 (Full-time Audit & Supervisory Committee Members) The Audit & Supervisory Committee may select full-time Audit & Supervisory Committee Member(s) by resolution of the Committee.
<Newly established>	Article 30 (Convocation and method of resolution of the Audit & Supervisory Committee) 1 Notice of convocation of a meeting of the Audit & Supervisory Committee shall be issued to each Audit & Supervisory Committee Member at least three (3) days before the scheduled date of such meeting. However, this period may be shortened in cases of urgency. 2 If there is agreement among all members of the Audit & Supervisory Committee, then a meeting of the Audit & Supervisory Committee may be held without following the procedures for convening the meeting. 3 Resolutions of the Audit & Supervisory Committee shall be approved by a majority of the Audit & Supervisory Committee Members at a meeting where a majority of Audit & Supervisory Committee Members who are entitled to participate in the approval of resolutions is present.
<Newly established>	Article 31 (Record of proceedings of the Audit & Supervisory Committee) The substance of proceedings of the Audit & Supervisory Committee meeting, the results of the meeting, the name(s) of those opposed to a resolution and the reason for opposition, and other matters stipulated in laws and regulations shall be entered in the record of proceedings, and the Audit & Supervisory Committee Members in attendance shall sign their names and affix their seals or provide an electronic signature.
<Newly established>	Article 32 (Regulations of the Audit & Supervisory Committee) Matters for the Audit & Supervisory Committee shall follow the regulations of the Audit & Supervisory Committee as provided for by the Audit & Supervisory Committee except when otherwise provided for in laws and regulations or the Articles of Incorporation.
Chapter VI Accounting	Chapter VI Accounting
Articles 36–39 <Text omitted>	Articles 33–36 <Unchanged>

<Newly established>	Chapter VII Supplementary provisions
<Newly established>	Article 37 (Transitional measures regarding exemption of liability of Audit & Supervisory Board Members) By resolution of the Board of Directors, the Company may exempt, to the extent permitted by laws and regulations, Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages under Article 423, paragraph 1 of the Companies Act regarding their acts before the conclusion of the 11th Annual General Meeting of Shareholders.
<Newly established>	Article 38 (Transitional measures regarding contracts for Limitation of Liabilities of Audit & Supervisory Board Members) The contracts that limit liability for damages under Article 423, paragraph 1 of the Companies Act regarding acts of Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) before the conclusion of the 11th Annual General Meeting of Shareholders are based on the provisions of Article 35, paragraph 2 of the Articles of Incorporation prior to amendments by resolution of the same Annual General Meeting of Shareholders.

Proposal No. 3: Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee at the conclusion of this General Meeting of Shareholders, and the term of office will expire for all five (5) Directors.

Therefore, the Company requests approval for the election of three (3) Directors (excluding Directors who are Audit & Supervisory Committee Members).
Also, this proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective.
The candidates for Director are as follows:

Candidate No.	Name		Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Takeshi Yoshimura	[Re-election]	Representative Director and Chairman	100% (16/16)
2	Tsutomu Ikuma	[Re-election]	Representative Director, President, CEO and COO	100% (13/13)
3	Kazuhiko Takahashi	[Re-election]	Director	100% (16/16)

[Re-election] Candidate for re-election as Director

(Notes)
1. There is no special interest between any of the candidates and the Company.
2. Mr. Kazuhiko Takahashi is a candidate for non-executive director. The Company has signed contracts for Limitation of Liabilities with him under Article 425, paragraph 1 of the Companies Act when he performs his duties in good faith without gross negligence. The details of these contracts for Limitation of Liabilities are provided on page 52 in the Business Report (in Japanese text only). If Mr. Kazuhiko Takahashi is elected, the Company plans to continue this contract with him.
3. Percentage of attendance at Board of Directors meetings is calculated based on the number of Board of Directors meetings held during the fiscal year under review and the number of meetings attended. Mr. Tsutomu Ikuma became a director during the fiscal year, so the number of meetings of the Board of Directors he attended is different from the other directors.
4. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 52 in the Business Report (in Japanese text only). In the event that the election of the candidates for Director is approved, they will be covered by said agreement. This agreement is planned to be renewed with the same details.
5. Details of Mr. Tsutomu Ikuma's status as an executive at SBI Holdings, Inc., which is the parent company of the Company within the past 10 years are listed in "Summary of career, position and responsibilities in the Company" on the following page.
6. Details of Mr. Kazuhiko Takahashi's status as an executive at SBI Holdings, Inc., which is the parent company of the Company, and at SBI Holdings, Inc.'s subsidiaries within the past 10 years are listed in "Summary of career, position and responsibilities in the Company" on the following page.
7. Candidates for Director have resigned from all positions that are not listed as a "current position" in their "Summary of career, position and responsibilities in the Company."

Candidate No.		Number of shares of the Company held: 20,000 shares
1	Takeshi Yoshimura (Born on April 3, 1960)	The number of years in office as Director (as of the conclusion of this General Meeting): 2 years and 5 months
Re-election		

Summary of career, position and responsibilities in the Company

Apr. 1983	Joined The Yamaguchi Bank, Ltd.
Oct. 2006	Assumed General Manager, Corporate Planning Department of Yamaguchi Financial Group, Inc.
Jan. 2007	Assumed General Manager, Corporate Planning Department of The Yamaguchi Bank, Ltd.
Jun. 2009	Assumed Director of The Yamaguchi Bank, Ltd.
Jun. 2009	Assumed Director of Yamaguchi Financial Group, Inc.
Jun. 2011	Assumed Managing Director and General Manager, Tokuyama Branch of The Yamaguchi Bank, Ltd.
Jun. 2012	Assumed Managing Director and General Manager, Tokyo Headquarters of The Yamaguchi Bank, Ltd.
Jun. 2015	Assumed Managing Director of The Yamaguchi Bank, Ltd.
Jun. 2016	Assumed President of Yamaguchi Financial Group, Inc.
Jun. 2016	Assumed President of The Yamaguchi Bank, Ltd.
Jun. 2017	Assumed Director of Momiji Bank, Ltd.
Jun. 2017	Assumed Director of The Kitakyushu Bank, Ltd.
Jun. 2018	Assumed Chairman of The Yamaguchi Bank, Ltd.
Jun. 2020	Assumed Chairman, Representative Director and Group CEO of the Yamaguchi Financial Group, Inc.
Jan. 2023	Assumed Outside Director of ARUHI Corporation (currently SBI ARUHI Corporation)
Jun. 2023	Assumed Representative Director and Chairman of ARUHI Corporation (currently SBI ARUHI Corporation) (current position)
Dec. 2023	Assumed Chairman of SBI Estate Finance Co., Ltd. (current position)
Feb. 2025	Assumed Director and Chairman of SBI Credit Guarantee Co., Ltd. (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Director

Mr. Takeshi Yoshimura has many years of experience in business management at regional banks and has extensive knowledge and abundant experience in the financial services business and management overall. Since the Company expects him to be involved in its decision-making related to management policy and business strategy based on the perspective of a person having experience in managing regional banks and expertise in building business strategies, the Board of Directors has selected him once again as a candidate for Director.

Candidate No.		Number of shares of the Company held: 50,100 shares
2	Tsutomu Ikuma (Born on July 3, 1967)	The number of years in office as Director (as of the conclusion of this General Meeting): 1 year and 0 months
Re-election		

Summary of career, position and responsibilities in the Company

Apr. 1992	Joined ITOCHU Corporation
Jul. 2003	Joined Dell Computer Inc. (currently Dell Technologies Japan Inc.)
Dec. 2005	Joined Revamp Corporation
Dec. 2009	Assumed Representative Director and President of Water Direct Corporation (currently Premium Water Holdings, Inc.)
Apr. 2013	Assumed Outside Director of Hoosiers Holdings Co., Ltd.
Sept. 2015	Joined Hoosiers Holdings Co., Ltd. and assumed Senior Managing Director of Hoosiers Holdings Co., Ltd.
Oct. 2017	Assumed President of Hoosiers, Inc.
May 2020	Assumed Representative Director and President of Hoosiers Wellness & Sports Co., Ltd.
Apr. 2022	Assumed Director and Senior Managing Executive Officer of Hoosiers Holdings Co., Ltd.
Jun. 2023	Joined SBI Holdings, Inc. Assumed Senior Managing Executive Officer and General Manager of Operations Division of SBI Holdings, Inc.
Feb. 2024	Assumed Advisor of SBI ARUHI Corporation
Apr. 2024	Assumed Executive Vice President, Corporate Officer and COO of SBI ARUHI Corporation
Jun. 2024	Assumed Representative Director, President, CEO and COO of SBI ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Director

Mr. Tsutomu Ikuma has work experiences, including management experience, in a broad range of industries such as a trading company, foreign-affiliated IT company, and manufacturer. He is also familiar with SBI group's businesses as a Senior Managing Executive Officer of SBI Holdings, Inc. In February 2024, he became an advisor of the Company, and in April 2024, he assumed the positions of Executive Vice President, Corporate Officer and COO. He has played important roles as Representative Director, President, CEO and COO from June 2024 and, in addition to leading organizational reform aimed at realizing the management strategy of the Company, has strengthened collaboration with SBI group companies. Therefore, since the Company expects him to contribute to increasing its corporate value, the Board of Directors has selected him once again as a candidate for Director.

Candidate No.		Number of shares of the Company held: 0 shares
3	Kazuhiko Takahashi (Born on January 7, 1970)	The number of years in office as Director (as of the conclusion of this General Meeting): 2 years and 0 months
Re-election		

Summary of career, position and responsibilities in the Company

Aug. 1997	Joined SoftBank Corp.
Aug. 2000	Joined Softbank Finance Corporation (currently SoftBank Corp.)
Feb. 2005	Assumed Director of SBI Partners, Inc. (currently SBI Holdings, Inc.)
Jul. 2005	Joined SBI Holdings, Inc.
Jun. 2010	Assumed Director of SBI Guarantee Co., Ltd. (current position)
Jun. 2011	Assumed Director of SBI Life Living Co., Ltd. (currently Wavedash Co., Ltd.)
Jun. 2013	Assumed Director of SBI Wellness Bank Co., Ltd.
Jun. 2015	Assumed Representative Director and President of SBI Estate Management Co., Ltd. (currently SBI Private REIT Advisors Co., Ltd.)
Jun. 2016	Assumed Representative Director and President of SEM Corporation Co., Ltd. (currently SBI Estate Finance Co., Ltd.) (current position)
	Assumed Representative Director and President of SEM Real Estate Co., Ltd. (currently SBI Smile Co., Ltd.) (current position)
Dec. 2017	Assumed Outside Director of Mullion Co., Ltd.
Sept. 2019	Assumed Auditor of Educational Corporation of SBI Graduate School (current position)
Jun. 2023	Assumed Director of ARUHI Corporation (currently SBI ARUHI Corporation) (current position)

Significant concurrent positions

Mr. Kazuhiko Takahashi is the Representative Director and President of SBI Estate Finance Co., Ltd. and SBI Smile Co., Ltd. He is also a Director of SBI Guarantee Co., Ltd.

Reasons for nomination as candidate for Director

Mr. Kazuhiko Takahashi has served as Representative Director at multiple corporations, and possesses a wealth of experience and knowledge as a corporate manager. He is also well versed in real estate- and financing-related businesses from his many years of experience in these businesses.

In June 2023, he assumed the position of Director of the Company, where he has put to use his experience and expertise. Because he has fulfilled important roles where he contributed to the strengthening of the Company's business strategies and finding solutions to challenges faced by these businesses, the Board of Directors has selected him once again as a candidate for Director.

Proposal No. 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, the Company requests approval for the election of three (3) Directors who are Audit & Supervisory Committee Members.
Also, this proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective.
The candidates for Directors who are Audit & Supervisory Committee Members are as follows.

Candidate No.	Name		Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Yasuhiro Baba	[New election] [Outside] [Independent]	Full-time Audit & Supervisory Board Member	100% (16/16)
2	Mika Yanagisawa	[New election] [Outside] [Independent]	Outside Director	100% (13/13)
3	Rina Sumino	[New election] [Outside] [Independent]	–	–

[New election] Candidate for new election as Director who is Audit & Supervisory Committee Member
[Outside] Candidate for Outside Director
[Independent] Independent Director under the stipulations of Tokyo Stock Exchange, Inc.

(Notes)
1. There is no special interest between any of the candidates and the Company.
2. Mr. Yasuhiro Baba, Ms. Mika Yanagisawa and Ms. Rina Sumino are candidates for Outside Director.
3. The Company has signed contracts individually with Mr. Yasuhiro Baba and Ms. Mika Yanagisawa to limit their liabilities for damages as provided for under Article 423, paragraph 1 of the Companies Act. The limit of liability for damages under these contracts is the minimum amount specified under Article 425, paragraph 1 of the Companies Act. If Proposal No. 2 and this proposal are approved as originally proposed at this General Meeting of Shareholders, the Company plans to continue this contract with Ms. Mika Yanagisawa and to sign contracts with Mr. Yasuhiro Baba and Ms. Rina Sumino with the same details.
4. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 52 in the Business Report (in Japanese text only). If Proposal No. 2 under the matters to be resolved at this General Meeting of Shareholders and this proposal are approved as originally proposed, then all candidates for Directors who are Audit & Supervisory Committee Members will be included as insureds under this insurance agreement. This agreement is planned to be renewed with the same details.
5. Each candidate has resigned from all positions that are not listed as a "current position" in their "Summary of career, position and responsibilities in the Company."
6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Yasuhiro Baba and Ms. Mika Yanagisawa have been designated as independent directors as provided for by the aforementioned exchange. Furthermore, Ms. Rina Sumino satisfies the requirements for an independent director as provided for by Tokyo Stock Exchange, Inc., and the Company plans to submit notification to the aforementioned exchange concerning her designation as an independent director.
7. Ms. Rina Sumino is recorded under the name of Rina Okada in the Family Registry.

Candidate No.		
1	Yasuhiro Baba (Born on February 16, 1961)	Number of shares of the Company held: 0 shares The number of years in office as Audit & Supervisory Board Member (as of the conclusion of this General Meeting): 3 years and 0 months
New election Outside Independent		

Summary of career, position and responsibilities in the Company

Apr. 1983	Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)
Jul. 1986	Seconded to Japanese Ministry of Finance (currently the Ministry of Finance, temporary transfer)
Jul. 1988	Rejoined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.; retired in October 2012)
Jan. 2006	Assumed General Manager of Corporate Business Compliance Office, Corporate Business Planning Div. of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)
Dec. 2009	Assumed General Manager of the Global Compliance Division of Mitsubishi UFJ Securities Co., Ltd.
May 2010	Assumed General Manager of Business Administration of Mitsubishi UFJ Securities Holdings Co., Ltd. Assumed Deputy General Manager of Compliance Control Division of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Jun. 2017	Assumed Corporate Auditor of MUS Information Systems Co., Ltd.
Jul. 2020	Assumed General Manager of Legal and Compliance Division of Yamada Consulting Group Co., Ltd.
Jun. 2022	Assumed Audit & Supervisory Board Member (full-time) of ARUHI Corporation (currently SBI ARUHI Corporation) (current position)
Dec. 2023	Assumed Audit & Supervisory Board Member of SBI Estate Finance Co., Ltd. (current position)
Jun. 2024	Assumed Audit & Supervisory Board Member of SBI Guarantee Co., Ltd. (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role

Mr. Yasuhiro Baba possesses a wealth of knowledge regarding finance, accounting and compliance from his diverse experiences including work in the planning and sales department of a major bank, work in the Japanese Ministry of Finance (currently the Ministry of Finance) and work in the compliance departments of financial institutions, etc. He also has experience serving as an Audit & Supervisory Board Member at an information systems company, and since June 2022, he has been serving as a full-time Audit & Supervisory Board Member of the Company, playing an important role in ensuring the sound and appropriate management of the Company. Since the Company expects him to provide oversight and advice on the execution of duties by Directors from his professional perspectives in finance, accounting, and compliance, as well as to be involved in and supervise the selection of candidates for officers and the determination of officer remuneration, etc. from an objective and neutral standpoint, he has been selected as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Independence of Outside Director

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Yasuhiro Baba has been designated as an independent director as provided for by the aforementioned exchange.

Candidate No.		
2	Mika Yanagisawa (Born on December 12, 1967)	Number of shares of the Company held: 0 shares The number of years in office as Outside Director (as of the conclusion of this General Meeting): 1 year and 0 months
New election Outside Independent		

Summary of career, position and responsibilities in the Company

Apr. 1990	Joined Mitsubishi Corporation
Apr. 2005	Joined the Legal Training and Research Institute of the Supreme Court of Japan (Completed in the 59th term)
Oct. 2006	Joined City-Yuwa Partners
Jan. 2016	Joined Dyson Ltd. Legal Department
Oct. 2018	Joined OAK LAWN MARKETING, INC. Legal Department
Jun. 2021	Assumed Outside Auditor of ULURU Co., Ltd.
Feb. 2023	Assumed Outside Auditor of Moderato Inc. (current position)
Apr. 2023	Assumed Representative Attorney at Law of WINGS LAW OFFICE (current position)
May 2023	Assumed Outside Director (Audit & Supervisory Committee Member) of NARUMIYA INTERNATIONAL Co., Ltd. (current position)
Jul. 2023	Assumed Outside Director of Graniph Inc. (current position)
Jun. 2024	Assumed Outside Director of SBI ARUHI Corporation (current position)
Apr. 2025	Assumed Vice-president of Dai-Ichi Tokyo Bar Association (current position)

Significant concurrent positions

Ms. Mika Yanagisawa is Representative Attorney at Law of WINGS LAW OFFICE and serves as Vice-president of Dai-Ichi Tokyo Bar Association. In addition, she is an Outside Director (Audit & Supervisory Committee Member) of NARUMIYA INTERNATIONAL Co., Ltd., an Outside Director of Graniph Inc., and is an Outside Auditor of Moderato Inc.

Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role

In addition to her experience as an attorney at law at a law firm, Ms. Mika Yanagisawa is broadly engaged in corporate law, compliance, and risk management as an in-house attorney at law at a business firm. As an Outside Director of the Company since June 2024, she has provided useful advice to management overall. Since the Company expects her to provide oversight and advice on the execution of duties by Directors from her professional perspectives as an attorney at law, as well as to be involved in and supervise the selection of candidates for officers and the determination of officer remuneration, etc. from an objective and neutral standpoint, she has been selected as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Independence of Outside Director

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Ms. Mika Yanagisawa has been designated as an independent director as provided for by the aforementioned exchange. The Company has no advisory contract with WINGS LAW OFFICE nor carries out constant business with this law office to which Ms. Mika Yanagisawa belongs.

Candidate No.		
3	Rina Sumino (Born on March 12, 1980)	Number of shares of the Company held: 0 shares The number of years in office as Outside Director (as of the conclusion of this General Meeting): –
New election Outside Independent		

Summary of career, position and responsibilities in the Company

Apr. 2003	Joined ChuoAoyama Audit Corporation
Apr. 2006	Registered as Certified Public Accountant
Aug. 2007	Joined PwC Advisory Co., Ltd. (currently PwC Advisory LLC)
Jul. 2011	Joined KPMG FAS Co., Ltd.
Jun. 2013	Joined Recruit Holdings Co., Ltd.
Jun. 2018	Assumed Audit & Supervisory Board Member of Hachimenroppi, Inc. (current position)
Oct. 2018	Established Rina Sumino Certified Public Accountant Office and assumed Head of its office (current position)
	Established and assumed Representative Director at ACCESSO Co., Ltd. (current position)
Jan. 2020	Assumed Audit & Supervisory Board Member of Invesco Office J-REIT, Inc.
Jul. 2020	Assumed Outside Auditor of Escrit Inc.
Sept. 2020	Assumed Outside Auditor of Sound Fun Corporation (current position)
Jun. 2021	Assumed Outside Director (Audit & Supervisory Committee Member) of Escrit Inc. (current position)
Sept. 2021	Assumed Outside Auditor of Linc'well Inc. (current position)
Jun. 2022	Assumed Outside Auditor of NIFTY Lifestyle Co., Ltd. (current position)
	Assumed Outside Auditor of Living Platform, Ltd. (current position)
Feb. 2023	Assumed Outside Auditor of Moderato Inc. (current position)
Sept. 2024	Assumed Outside Auditor of UNICON Holdings Co., Ltd. (current position)

Significant concurrent positions

Ms. Rina Sumino works independently at Rina Sumino Certified Public Accountant Office and is Representative Director of ACCESSO Co., Ltd. In addition, she is an Outside Director (Audit & Supervisory Committee Member) of Escrit Inc., an Audit & Supervisory Board Member of Hachimenroppi, Inc., and an Outside Auditor of Sound Fun Corporation, Linc'well Inc., NIFTY Lifestyle Co., Ltd., Living Platform, Ltd., Moderato Inc. and UNICON Holdings Co., Ltd.

Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and overview of expected role

Ms. Rina Sumino has extensive experience as a certified public accountant and possesses expert knowledge in finance, accounting, and management. Since the Company expects her to utilize her expertise, particularly in accounting, to provide oversight and advice on execution of duties by Directors, as well as to be involved in and supervise the selection of candidates for officers and the determination of officer remuneration, etc. from an objective and neutral standpoint, she has been selected as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Independence of Outside Director

The Company plans to submit notification to Tokyo Stock Exchange, Inc. that Ms. Rina Sumino has been designated as an independent director as provided for by the aforementioned exchange. The Company has no contract with Rina Sumino Certified Public Accountant Office or ACCESSO Co., Ltd. nor carries out constant business with these firms to which Ms. Rina Sumino belongs.

Proposal No. 5: Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, in the event that the number of Directors who are Audit & Supervisory Committee Members is short of the number stipulated in laws and regulations, the Company requests approval for the election of one (1) Substitute Director who is an Audit & Supervisory Committee Member.

This proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective. In addition, the election in this proposal will be effective only prior to the assumption of office, and the election may be revoked by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee.
The candidate for Substitute Director who is an Audit & Supervisory Committee Member is as follows.

Isamu Koshio (Born on September 24, 1967)	Number of shares of the Company held: 0 shares

Summary of career, position and responsibilities in the Company

Apr. 1990	Joined Nissho Iwai Corporation (currently Sojitz Corporation)
Apr. 2000	Joined ITX Corporation
Apr. 2006	General Manager of Audit Office of ITX Corporation
Feb. 2010	General Manager, Accounting Department of ITX Corporation
Jul. 2018	Joined ARUHI Corporation (currently SBI ARUHI Corporation)
	General Manager of Accounting Department, Finance and Accounting Division of ARUHI Corporation (currently SBI ARUHI Corporation)
Oct. 2024	Assumed Executive Fellow of SBI ARUHI Corporation (current position)
Jan. 2025	General Manager of Risk Management Office, Corporate Management Division of SBI ARUHI Corporation
Apr. 2025	General Manager of Risk Management Office, Corporate Planning Division of SBI ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Substitute Director who is an Audit & Supervisory Committee Member

Mr. Isamu Koshio has many years of experience in accounting, internal controls, and auditing at business firms and possesses a wealth of experience and advanced expertise. At the Company, he exercises advanced expertise and knowledge in the fields of finance and accounting and plays a major role in management, and because he possesses the experience and expertise required of a Director who is an Audit & Supervisory Committee Member, the Board of Directors has selected him as a candidate for Substitute Director who is an Audit & Supervisory Committee Member.

(Notes) 1. There is no special interest between Mr. Isamu Koshio and the Company.
2. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 52 in the Business Report (in Japanese text only). Therefore, when Mr. Isamu Koshio takes office as a Director who is an Audit & Supervisory Committee Member, he will be covered by said insurance agreement. This agreement is planned to be renewed with the same details.
3. Candidates for the Substitute Director who is an Audit & Supervisory Committee Member have resigned from all positions that are not listed as a "current position" in their "Summary of career, position and responsibilities in the Company."

Proposal No. 6: Amount of Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee.

The remuneration for the Company's Directors was resolved at the 3rd Annual General Meeting of Shareholders held on June 14, 2017, to be no more than 500 million yen per year, and this resolution remains in effect to date. However, the Company proposes to abolish this resolution and, taking into consideration various factors such as the current economic environment, newly set the total amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) at no more than 300 million yen per year. Please note that, as in the past, the aforementioned amount of remuneration does not include the portion of employee salaries for Directors who also serve as employees.

This proposal has been determined to be appropriate based on a comprehensive consideration of factors such as the economic environment, the scale of the Company's operations, the current officer remuneration structure and its payment levels. It was resolved after deliberation by the Board of Directors, in which independent Outside Directors and independent Outside Audit & Supervisory Board Members constitute a majority of all Directors and Audit & Supervisory Board Members.

In addition, if this proposal is approved, the Company plans to revise the "Policy for Determining the Details of Remuneration, etc. for Individual Directors" (in Japanese text only) described on page 54, including amending the persons covered under the policy by replacing "Directors" with "Directors (excluding Directors who are Audit & Supervisory Committee Members)" among other changes.

There are currently five (5) Directors (of whom two (2) are Outside Directors). However, if we take into account approval of Proposal No. 2 and Proposal No. 3, "Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)," three (3) Directors (excluding Directors who are Audit & Supervisory Committee Members) will be covered by this proposal (of whom zero (0) are Outside Directors).

Also, this proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective.

Proposal No. 7: Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, we wish to specify the amount of remuneration for Directors who are Audit & Supervisory Committee Members to be up to 50 million yen per year.

This proposal was decided upon after deliberation by the Board of Directors and comprehensively taking into account the responsibilities of Audit & Supervisory Committee Members in the Company's governance and the need for flexibility in responding to future requests for stronger governance. We therefore believe that this proposal is appropriate.

If Proposal No. 2 and Proposal No. 4, "Election of Three (3) Directors who Are Audit & Supervisory Committee Members," are approved, three (3) Directors who are Audit & Supervisory Committee Members will be covered by this proposal.

Also, this proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective.

Proposal No. 8: Share-based Remuneration Plan for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

1. Reasons for the proposal

   The Company has introduced a remuneration plan that grants restricted stock to Directors (excluding Outside Directors) of the Company, with the aim of providing incentives to promote the sustainable enhancement of the Company's corporate value and further promoting value sharing with our shareholders.

   If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Therefore, the Company requests approval for re-establishing the restricted share-based remuneration plan (the "Plan") to cover Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors; "Eligible Directors" in this proposal). (The remuneration under the Plan is separate from the remuneration amount specified in Proposal No. 6, "Amount of Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members).")

   The upper limits on the monetary remuneration and the number of shares to be granted, as stated below, have been determined based on the above-mentioned objectives, the Company's business performance, the policy for determining the details of remuneration, etc. for individual Directors (in Japanese text only) (which is scheduled to be revised, subject to approval of this proposal, to align with the approved details, as described in the [Reference] section below), and various other factors. The Company believes these limits are appropriate.

   Also, this proposal shall become effective subject to the condition that the amendments to the Articles of Incorporation under Proposal No. 2 become effective.

   If Proposal No. 3, "Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)" and this proposal are approved and adopted as originally proposed, there will be three (3) Eligible Directors.

   If the proposal regarding the Plan is approved and adopted as originally proposed at this General Meeting of Shareholders, the Company intends to also apply a restricted share-based remuneration plan similar to the Plan to corporate officers who do not concurrently serve as Directors of the Company.

2. Outline of the Plan

   (1) Limit on monetary remuneration and number of shares under the Plan

   Under the Plan, the total amount of monetary remuneration to be paid to Eligible Directors for the purpose of granting restricted stock shall be set at a maximum of 100 million yen per year, which is considered appropriate in light of the above-mentioned objectives.

   In addition, in accordance with the resolution of the Board of Directors of the Company, the Eligible Directors shall deliver all monetary compensation claims granted under the Plan to the Company in the form of property contributed in kind, and shall receive common shares of the Company that shall be issued or disposed of by the Company. Accordingly, the total shares of common shares issued or disposed of by the Company shall be up to 50 thousand shares per year (*) based on the total amount described above.

   The specific time of payment and allocation to each Eligible Director as remuneration under the Plan will be determined at the Board of Directors' meeting.

   * In the event where a share split (including gratis allotment of common shares of the Company) or share consolidation of common shares of the Company takes place on or after the date of approval and adoption of this proposal, or if any other event occurs that gives rise to the need to adjust the total number of common

shares of the Company issued or disposed of as restricted stock, the total number will be adjusted within a reasonable range. The amount to be paid-in per share shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before the day of resolution of the respective Board of Directors (or the closing price on the most recent preceding trading day, if no transactions are concluded on that day), to the extent that the amount is not particularly favorable to the Eligible Directors who subscribe for the common shares.

(2) Outline of the agreement on allotment of shares with transfer restrictions

For the issuance or disposal under the Plan of the common shares of the Company, an agreement on allotment of shares with transfer restrictions (the "Allotment Agreement") shall be entered into between the Company and each Eligible Director.

An outline of the Allotment Agreement is as follows.

(1) Transfer restriction period

Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company allotted under the Allotment Agreement ("Allotted Shares") for the period predetermined by the Board of Directors of the Company ("Transfer Restriction Period"), which period shall be between three (3) to five (5) years from the date on which the shares are allotted under the Allotment Agreement. The restrictions described in the preceding sentence shall hereinafter be referred to as the "Transfer Restrictions."

(2) Treatment regarding retirement

If an Eligible Director retires from the position predetermined by the Board of Directors of the Company, before the Transfer Restriction Period expires, the Company shall automatically acquire such Allotted Shares without contribution, unless the reason for retirement is the expiration of the term of office, death, or any other justifiable reason.

(3) Lifting of the transfer restriction

The Company will lift the Transfer Restrictions for all of the Allotted Shares upon the expiration of the Transfer Restriction Period, subject to the condition that the relevant Eligible Director has remained in the position predetermined by the Board of Directors of the Company throughout the Transfer Restriction Period. However, if such Eligible Director retires from the position set forth in item (2) above before the expiration of the Transfer Restriction Period due to the expiration of the term of office, death, or any other justifiable reason, as set forth in item (2) above, then the Transfer Restrictions will be lifted. In addition, the Company shall automatically acquire, without contribution, the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions are lifted in accordance with the provision above.

(4) Treatment in the event of reorganization, etc.

Notwithstanding the provision of item (1) above, if, during the Transfer Restriction Period, a merger agreement under which the Company will be the disappearing company, a share exchange agreement or share transfer plan under which the Company will be a wholly-owned subsidiary, or matters regarding any other form of reorganization of the Company is approved at the Company's shareholders meeting (or, if the approval of a shareholders meeting is not required for the relevant reorganization, the Board of Directors of the Company), then the Company will lift the Transfer Restrictions on the Allotted Shares for the number reasonably determined by taking into consideration the period from the commencement date of the Transfer Restriction Period to the approval date of such reorganization prior to the effective date of reorganization, by a resolution of the Board of Directors of the Company. In the foregoing case, the Company shall automatically acquire, without contribution, the Allotted Shares from which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions are lifted.

(5) Other matters

The Board of Directors of the Company shall determine other matters regarding the Allotment Agreement.

[Reference]
If this proposal is approved at this General Meeting of Shareholders, the "Policy for Determining the Details of Remuneration, etc. for Individual Directors," (in Japanese text only) as described on page 54 of the Business Report, is scheduled to be revised to specify that the recipients of remuneration under the restricted share-based remuneration plan shall be "Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)." In addition, the total amount of monetary claims to be paid for the purpose of granting restricted stock will be revised to a maximum of 100 million yen per year, and the total number of common shares of the Company to be issued or disposed of as restricted share-based remuneration will be revised to a maximum of 50,000 shares per year.

<Directors after the 11th Annual General Meeting of Shareholders on June 24, 2025 (planned)>

Name	Position	Outside	Business management	Finance, accounting	Marketing, sales	Internationality	Personnel, labor	Legal, compliance	Governance, risk management	ESG, sustainability
Takeshi Yoshimura	Representative Director		●	●					●	●
Tsutomu Ikuma	Representative Director		●	●		●			●	
Kazuhiko Takahashi	Director		●	●	●			●		
Yasuhiro Baba	Director (Full-time Audit & Supervisory Committee Member)	●		●		●		●	●	
Mika Yanagisawa	Director (Audit & Supervisory Committee Member)	●				●	●	●	●	
Rina Sumino	Director (Audit & Supervisory Committee Member)	●		●		●			●	●

(Notes) 1. Each individual's four main skills are indicated in the above table with black dots. This table does not indicate all the skills, abilities, and knowledge of these individuals.

2. The Directors with special titles and the Full-time Audit & Supervisory Committee Members will be formally determined at the Board of Directors meeting and the Audit & Supervisory Committee meeting, respectively, after this General Meeting of Shareholders.