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Securities Code: 8142
Mailing date: April 4, 2025
Date of commencement of electronic provision measures: April 1, 2025

To our shareholders,

Hiroyuki Koga,
President and Representative Director
TOHO Co., Ltd.
9, 5-chome, Koyocho-nishi,
Higashinada-ku, Kobe, Hyogo, Japan

Notice of the 72nd Ordinary General Meeting of Shareholders

You are cordially notified of the 72nd Ordinary General Meeting of Shareholders of TOHO Co., Ltd. (the "Company"), which will be held as described below.

For this general meeting of shareholders, the Company has taken electronic measures for providing information ("electronic provision measures") and has posted the electronic provision measures matters on the following Company's website.

The Company's website: https://www.to-ho.co.jp/ir/english.html

In addition to the website shown above, the Company also has posted this information on the website of Tokyo Stock Exchange, Inc. (TSE). To view the information, please access the TSE website (Listed Company Search), input the issue name (company name) or securities code, and click "Search", and then click "Basic information" and select "Documents for public inspection/PR information".

The TSE website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

If you are not attending the meeting in person, please consider exercising your voting rights in advance in writing (please send by mail) or via the Internet, etc. (See page 2 for details).

1. Date and time: Wednesday, April 23, 2025, at 10:00 a.m. (doors open at 9:15 a.m.)

2. Place: Banquet Hall Kairaku
Main building B1F, Kobe Portopia Hotel
10-1, 6 Chome, Minatojima Nakamachi
Chuo-ku, Kobe, 650-0046 Japan

3. Agenda:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 72nd fiscal year (from February 1, 2024 to January 31, 2025), independent auditor's report on the Consolidated Financial Statements and Audit & Supervisory Board report
2. Non-consolidated Financial Statements for the 72nd fiscal year (from February 1, 2024 to January 31, 2025)

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Partial Amendments to the Articles of Incorporation

Proposal 3: Election of Nine (9) Directors

Proposal 4: Election of One (1) Audit & Supervisory Board Member

Procedures for Exercise of Voting Rights

Please exercise your voting rights via one of the following methods.

- Attending the meeting:
  Date and time of meeting: 10:00 a.m. on Wednesday, April 23, 2025
  You are kindly requested to present the enclosed voting card to the receptionist.
  We recommend that you arrive early as the reception area will become crowded shortly before the meeting commences.
  Please be informed that any persons other than a shareholder entitled to exercise voting right, such as a proxy who is not a shareholder of the Company, may not attend the meeting.
  Space dedicated for wheelchair users is available in the venue.

- Not attending the meeting:
  ➢Exercise of voting rights via post
  Voting deadline: To arrive no later than 6:00 p.m. on Tuesday, April 22, 2025
  Please indicate your approval or disapproval to the proposals on the enclosed voting card and return it so that it will be received by the voting deadline above.

  ➢Exercise of voting rights via the Internet, etc.
  Voting deadline: No later than 6:00 p.m. on Tuesday, April 22, 2025
  Please exercise your voting rights by visiting the dedicated voting rights exercise website (https://www.web54.net) and following the on-screen instructions to indicate your approval or disapproval to the proposals.
  A Smart Voting system is available if you wish to exercise your voting rights by smartphone.

  Note:
  * If nothing is marked in either the approval or disapproval column of the voting card, it shall be deemed as an intention of approval.
  * In such instances whereupon you have exercised your voting rights in writing and via the Internet, etc., only the vote via the Internet, etc. shall be deemed effective. If you have exercised your voting rights more than once via PC or smartphone, only the last vote shall be deemed effective.

- When notifying the convocation, the following matters are not presented in the documents mailed to shareholders because these matters have been posted on the Company's website and the TSE website on the Internet pursuant to the provisions of laws and regulations, and Article 16 of the Company's Articles of Incorporation. The Audit & Supervisory Board Members and the independent auditor audited documents subject to audit including the following matters.
  - Major Offices and Plants, Status of Employees, Principal Lenders and Amounts of Borrowings, Matters Regarding the Independent Auditor, System to Ensure That Execution of Duties by Directors Complies with Laws and Regulations and the Articles of Incorporation, and Other Systems to Ensure Appropriateness of Business Activities of the Company in Business Report
  - Consolidated Statements of Changes in Equity and Notes to Consolidated Financial Statements
  - Non-consolidated Statements of Changes in Equity and Notes to Non-consolidated Financial Statements
- If any amendments are made to matters subject to the electronic provision measures, the Company will post to that effect and matters before and after the amendments on the respective websites where the matters are posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Based on the dividend policy, and in consideration of future business development and other factors, the year-end dividend for the 72nd fiscal year is proposed as follows:

Year-end dividend

1. Type of dividend property
   Cash

2. Allotment of dividend property and total amount thereof
   Dividend per common share of the Company: ¥70
   Total amount of dividends: ¥755,041,000

3. Effective date of the dividend of surplus
   April 24, 2025

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments
   In light of the rapidly changing business environment, the Company proposes to shorten the term of office for Directors. This allows for flexible restructuring of the management team and enables swift responses. The Company also proposes to set the term to one (1) year, thus increasing opportunities for shareholders to express their confidence in the management.

2. Details of amendments
   The details of the amendments are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Term of office) **Article 21** The term of office of Directors shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year that ends within <u>two (2) years</u> of such Directors' election. <u>2. The term of office of a Director appointed as an additional director or to fill a vacancy shall be until the expiration of the term of office of the other incumbent directors or the director who has retired.</u>	**(Term of office)** **Article 21** The term of office of Directors shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the final fiscal year that ends within <u>one (1) year</u> of such Directors' election. <Deleted>

Proposal 3: Election of Nine (9) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this meeting. In that regard, the Company proposes the election of nine (9) Directors, including four (4) Outside Directors.

The candidates for Director are as follows:

Candidate No.	Name	Current position in the Company	Attendance at meetings of the Board of Directors
1	Hiroyuki Koga [Reelection]	President and Representative Director	100% (18/18)
2	Kuniharu Okuno [Reelection]	Director and Executive Officer	94.4% (17/18)
3	Hiromitsu Doi [Reelection]	Director and Executive Officer	100% (18/18)
4	Reiko Tagami [New candidate]	Executive Officer	-
5	Daisuke Harada [New candidate]	Executive Officer	-
6	Naobumi Sato [Reelection] [Outside] [Independent]	Director	100% (18/18)
7	Hiroshi Harada [Reelection] [Outside] [Independent]	Director	100% (18/18)
8	Chie Tomari [Reelection] [Outside] [Independent]	Director	100% (18/18)
9	Kazumasa Yamamura [New candidate] [Outside] [Independent]	-	-

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibility, and important concurrent posts</th></tr>
<tr><td rowspan="2">1</td><td>Hiroyuki Koga
(May 5, 1957)

Reelection

Number of the Company's shares held:
7,420 shares

Attendance at meetings of the Board of Directors:
18/18

Years served as Director:
8 years
(at the conclusion of this general meeting of shareholders)</td><td>Apr. 1976
Feb. 1995
Sep. 2001
Feb. 2008
Aug. 2008
Mar. 2011
Mar. 2015
Oct. 2015
Mar. 2017
Apr. 2017</td><td>Joined the Company
General Manager of Okayama Branch, Distributor Division, the Company
Senior Manager of Branches in Chugoku Region and General Manager of Okayama Branch, Distributor Division, the Company
Executive Officer in charge of Shikoku Region, Senior Manager of Branches in Chugoku Region and General Manager of Hiroshima Branch, Distributor Division, the Company
Executive Officer, General Manager of Chugoku and Shikoku Sales Department, Senior Manager of Branches in Chugoku Region and General Manager of Hiroshima Branch, TOHO Food Service Co., Ltd.
President and Representative Director, TOHO Gunma Co., Ltd.
President and Representative Director, Showa Shokuhin Co., Ltd.
President and Representative Director, TOHO Kita Kanto Co., Ltd.
Executive Officer, the Company
President and Representative Director, the Company (incumbent)</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for Director]
Hiroyuki Koga has extensive insight in corporate management and sales strategy gained from his broad experience in the sales department, and from engaging in the management of the group since 2011 as a representative director of group companies. He assumed office as representative director of the Company in 2017, and has a good track record of directing the group with his strong leadership, as well as abundant experience and insight as a management executive. The Company believes that he is qualified to promote the group's management, and accordingly proposes his reelection as a Director.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Career summary, position and responsibility, and important concurrent posts	
2	Kuniharu Okuno (September 26, 1961) Reelection Number of the Company's shares held: 2,000 shares Attendance at meetings of the Board of Directors: 17/18 Years served as Director: 4 years (at the conclusion of this general meeting of shareholders)	Mar. 1984	Joined the Company
		Feb. 2006	General Manager of Sales Planning Office, A-Price Division, the Company
		Aug. 2008	General Manager of Human Resources and General Affairs Department, TOHO Business Service Co., Ltd.
		Mar. 2011	Director, General Manager of Human Resources and General Affairs Department, TOHO Business Service Co., Ltd.
		Feb. 2012	President and Representative Director, TOHO Cash & Carry Co., Ltd.
		Mar. 2019	President and Representative Director, TOHO Business Service Co., Ltd.
			Director, TOHO CONSTRUCTION Co., Ltd.
		Mar. 2020	Audit & Supervisory Board Member, TSURUGAYA Co., Ltd.
		Mar. 2021	Standing Adviser, the Company
			Audit & Supervisory Board Member, TOHO CONSTRUCTION Co., Ltd.
		Apr. 2021	Director in charge of Human Resources Department, Compliance Office, the Company
		Mar. 2022	Audit & Supervisory Board Member, TOHO Store Co., Ltd.
		Jun. 2022	Director, TOHO Store Co., Ltd.
		Mar. 2023	Director and Executive Officer, General Manager of Product Strategy Headquarters, the Company (incumbent)
			Audit & Supervisory Board Member, TOHO Kita Kanto Co., Ltd.
	[Reasons for nomination as candidate for Director] Kuniharu Okuno has gained wide-ranging experience in the sales planning department and the human resources and general affairs department, and since 2012, he has engaged in the management of the group as a representative director of a core group company in the cash & carry (commercial foods cash wholesaling) business division. He possesses extensive knowledge and achievements in the business and management of the Company, partly gained through promoting the product strategy as a Director of the Company from 2021. The Company believes that he is qualified to make decisions regarding important management matters of the group and execute business, and accordingly proposes his reelection as a Director.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility, and important concurrent posts	
3	Hiromitsu Doi (September 29, 1955) Reelection Number of the Company's shares held: 200 shares Attendance at meetings of the Board of Directors: 18/18 Years served as Director: 2 years (at the conclusion of this general meeting of shareholders)	Apr. 1978	Joined KOKUBU & CO., LTD. (currently KOKUBU GROUP CORP.)
		Jan. 2009	Director Managing Officer, Head of Kyushu Branch Office, KOKUBU & CO., LTD.
		Mar. 2011	Director, KOKUBU & CO., LTD.
		Mar. 2015	Director Executive Managing Officer, KOKUBU & CO., LTD.
		Sep. 2018	Director Executive Managing Officer, KOKUBU GROUP CORP. and Chairman and Director, KOKUBU SHUTOKEN CORP.
		Mar. 2021	Senior Adviser, KOKUBU GROUP CORP.
		Aug. 2022	Joined the Company as Adviser
		Mar. 2023	Executive Officer, General Manager of Logistics Strategy Department, the Company
		Apr. 2023	Director and Executive Officer, General Manager of Logistics Strategy Department, the Company (incumbent)
		Mar. 2025	Audit & Supervisory Board Member, TOHO Kita Kanto Co., Ltd. (incumbent)
			Director, FMI Corporation (incumbent)
	[Reasons for nomination as candidate for Director] Hiromitsu Doi has been engaged in the food wholesale industry over the course of many years and has an exceptional insight gained as a corporate manager. After joining the Company, he has continued to make proposals based on his experience and knowledge cultivated in the industry. The Company believes that he is qualified to promote the reform of the group's logistics division, and accordingly proposes his reelection as a Director.		

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibility, and important concurrent posts</th></tr>
<tr><td rowspan="2">4</td><td rowspan="2">Reiko Tagami
(November 30, 1969)

New candidate

Number of the Company's shares held:
1,000 shares</td><td>Apr. 1992</td><td>Joined SANYO Electric Co., Ltd.</td></tr>
<tr><td>Apr. 2013
Mar. 2019
Feb. 2022
Feb. 2024
Feb. 2025
Mar. 2025</td><td>Joined the Company
General Manager of Human Resources Department, the Company
Executive Officer, General Manager of Human Resources Department, the Company
Executive Officer in charge of Compliance Office, General Manager of Human Resources Department, the Company
Executive Officer in charge of Legal Affairs and Compliance Department, General Manager of Human Resources Department, the Company (incumbent)
Audit & Supervisory Board Member, TOHO Food Service Co., Ltd. (incumbent)
Director, TOHO Business Service Co., Ltd. (incumbent)</td></tr>
<tr><td></td><td colspan="3">[Reasons for nomination as candidate for Director]
Reiko Tagami has experience and achievements in improvement and reform of personnel affairs in the group, belonging to the Company's human resources department after experience in the sales planning department of a group company. The Company believes that she is qualified to promote the group's human capital management and compliance management, and accordingly proposes her election as a Director.</td></tr>
<tr><td rowspan="2">5</td><td rowspan="2">Daisuke Harada
(December 18, 1977)

New candidate

Number of the Company's shares held:
500 shares</td><td>Mar. 2001
Mar. 2019
Mar. 2020
Feb. 2022
May 2023
Feb. 2024
Mar. 2025</td><td>Joined the Company
Director, TOHO FOODS HK CO., LTD. (incumbent)
In charge of Overseas Subsidiaries, General Manager of Group Strategy Department, the Company
Executive Officer in charge of Overseas Subsidiaries, General Manager of Group Strategy Department, the Company
Director, TOHO Singapore Pte. Ltd. (incumbent)
Executive Officer in charge of Overseas Business and IT Strategy Department, General Manager of Group Strategy Department, the Company (incumbent)
Audit & Supervisory Board Member, TOHO Cash & Carry Co., Ltd. (incumbent)
Director, TOHO Okinawa Co., Ltd. (incumbent)</td></tr>
<tr><td></td><td colspan="3">[Reasons for nomination as candidate for Director]
Daisuke Harada has extensive experience, achievements, and insight gained through leading the group companies as the person responsible for the Company's management planning department, formulating and promoting the group's medium-term management plan, and materializing M&A strategies and overseas business strategies. The Company believes that he is qualified to promote the group's management, and accordingly proposes his election as a Director.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibility, and important concurrent posts</th></tr>
<tr><td rowspan="2">6</td><td>Naobumi Sato
(May 20, 1956)

Reelection
Outside
Independent

Number of the Company's shares held:
2,200 shares

Attendance at meetings of the Board of Directors:
18/18

Years served as Outside Director:
4 years
(at the conclusion of this general meeting of shareholders)</td><td>Apr. 1979
Dec. 2000
Apr. 2004
Mar. 2006
Jun. 2006
Apr. 2008
Jun. 2010
Apr. 2013
Jun. 2019
Apr. 2021
Jun. 2022
Jun. 2023

Jul. 2023</td><td>Joined The Daiwa Bank, Ltd. (currently Resona Bank, Limited).
General Manager of No. 1 Sales Division, Shibuya Branch, The Daiwa Bank, Ltd.
Executive Officer, Head of Integration Promotion Office, Planning Department, Resona Holdings, Inc.
Senior Managing Executive Officer in Charge of Systems Division and Administration Planning Division, The Kinki Osaka Bank, Ltd. (currently Kansai Mirai Bank, Limited)
Representative Director and Senior Managing Executive Officer in Charge of Systems Division, Administration Planning Division, Risk Management Division and Accident Prevention Office, The Kinki Osaka Bank, Ltd.
Vice President, Representative Director, Executive Officer, The Kinki Osaka Bank, Ltd.
Standing Audit & Supervisory Board Member, Resona Bank, Limited
President and Representative Director, DACS Co., Ltd.
Part-time Audit & Supervisory Board Member, ASAHI SEIKO CO., LTD.
Director, the Company (incumbent)
Senior Adviser, DACS Co., Ltd.
Director, The Research Foundation for Microbial Diseases of Osaka University (incumbent)
Director, BIKEN Co., Ltd. (incumbent)
Adviser, DACS Co., Ltd. (incumbent)</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for Outside Director and expected roles]
Naobumi Sato has experience in management at financial institutions and other business companies. Since assuming the office of Outside Director of the Company in April 2021, he has actively participated in meetings of the Board of Directors in supervising business execution and making important decisions. For information system strategies in particular, he provides the Company with meaningful perspectives on every occasion based on his accumulated insights. Accordingly, the Company proposes his reelection as an Outside Director.</td></tr>
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<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, position and responsibility, and important concurrent posts</th></tr>
<tr><td rowspan="2">7</td><td>Hiroshi Harada
(May 18, 1956)

Reelection
Outside
Independent

Number of the Company's shares held:
200 shares

Attendance at meetings of the Board of Directors:
18/18

Years served as Outside Director:
4 years
(at the conclusion of this general meeting of shareholders)</td><td>Apr. 1981
Apr. 2006
Apr. 2008
Apr. 2012
Apr. 2015
Apr. 2017
Apr. 2021</td><td>Joined Kobe City Government
Executive Director and Head of General Affairs Division, Foundation for Biomedical Research and Innovation at Kobe
Director of General Affairs Division, Kobe City Waterworks Bureau
Director and General Manager of Corporate Division, Kobe City Hospital Organization
Mayor of Hyogo Ward, Kobe City
President and Representative Director, KOBE HARBORLAND Co., Ltd.
Director, the Company (incumbent)</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for Outside Director and expected roles]
Hiroshi Harada has held important positions in the field of public administration for many years and has experience in corporate management at a business company. Since assuming the office of Outside Director of the Company in April 2021, he has actively participated in meetings of the Board of Directors in supervising business execution and making important decisions. He has provided the Company with valuable perspectives on management issues from an objective viewpoint based on his experience and insights gained to date. Accordingly, the Company proposes his reelection as an Outside Director.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Career summary, position and responsibility, and important concurrent posts	
8	Chie Tomari (May 29, 1961) Reelection Outside Independent Number of the Company's shares held: 300 shares Attendance at meetings of the Board of Directors: 18/18 Years served as Outside Director: 2 years (at the conclusion of this general meeting of shareholders)	Apr. 1984 Aug. 1999 Jan. 2014 Jan. 2016 Apr. 2017 May 2019 Apr. 2023 Jun. 2023 Jun. 2024	Joined TOKYU HANDS INC. (currently Hands Inc.) Joined Senshukai Co., Ltd. Executive Officer, Division Director, General Affairs Division, Senshukai Co., Ltd. Executive Officer, Deputy Division Director, Product Development Division, Senshukai Co., Ltd. Seconded to Planet Work, Co., Ltd. Director, General Manager of Administration Department, and Director, Dears Brain Co., Ltd. Joined Asahi Light Metal Industry Co., Ltd. General Manager of Business Planning Office Director, the Company (incumbent) Director, TEIKOKU ELECTRIC MFG. CO., LTD. (incumbent) Director, CHINO CORPORATION (incumbent)
	[Reasons for nomination as candidate for Outside Director and expected roles] Chie Tomari has held important positions at business companies and has extensive experience not only in administration but also in product development. Since assuming the office of Outside Director of the Company in April 2023, she has supervised business execution at the Board of Directors, and provided the Company with valuable and objective opinions based on experience and insight gained through working on the promotion of women's participation and advancement. Accordingly, the Company proposes her reelection as an Outside Director.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility, and important concurrent posts	
9	Kazumasa Yamamura (January 6, 1961) New candidate Outside Independent Number of the Company's shares held: - shares	Apr. 1983	Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
		Apr. 2006	General Manager of Corporate Banking Department, Fukaebashi Branch, Sumitomo Mitsui Banking Corporation
		Apr. 2008	Deputy General Manager of Succession Business Department (Osaka), Sumitomo Mitsui Banking Corporation
		Apr. 2009	Deputy General Manager of Private Advisory Business Department (Osaka), Sumitomo Mitsui Banking Corporation
		Apr. 2010	Seconded to Muromachi Create Co., Ltd. (currently Muromachi Fudousan Create Co., Ltd.)
		Jun. 2010	Executive Officer, General Manager of Kansai Branch, Muromachi Create Co., Ltd.
		Jun. 2012	Director, Executive Officer, General Manager of Kansai Branch, Muromachi Create Co., Ltd.
		Jun. 2014	Director, Managing Executive Officer, General Manager of Kansai Branch, Muromachi Create Co., Ltd.
		May 2018	Director, Managing Executive Officer, President of Kansai Branch, Muromachi Building Co., Ltd.
		Jun. 2020	Director, Senior Managing Executive Officer, President of Kansai Branch, Muromachi Building Co., Ltd.
		Jun. 2023	Deputy General Manager of Muromachi Building Co., Ltd.
	[Reasons for nomination as candidate for Outside Director and expected roles] Kazumasa Yamamura has held important positions at a financial institution over the course of many years, and has gained experience and exceptional insight in management at business companies. The Company believes that he will leverage such experience and insight in the management of the Company, and accordingly proposes his election as an Outside Director.		

Notes:
1. There are no special interests between the candidates and the Company.
2. Naobumi Sato, Hiroshi Harada, Chie Tomari and Kazumasa Yamamura are candidates for Outside Director.
3. The Company has entered into agreements with Outside Directors Naobumi Sato and Hiroshi Harada as of April 20, 2021, and with Outside Director Chie Tomari as of April 25, 2023, to limit their liability for damages under Article 423, paragraph 1 of the Companies Act, pursuant to Article 427, paragraph 1 of the same Act. If they are reelected as Directors as proposed, the Company plans to renew the aforementioned agreements with them. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If Kazumasa Yamamura is elected as Director as proposed, the Company plans to enter into the same limited liability agreement with him.
4. The Company has submitted notification to the Tokyo Stock Exchange that Naobumi Sato, Hiroshi Harada, and Chie Tomari have been appointed as independent officers as provided for by the aforementioned Exchange, and the Company plans to submit notification for another term, if they are reelected as Directors as proposed. If Kazumasa Yamamura is elected as Director as proposed, the Company plans to submit notification to the Tokyo Stock Exchange concerning his appointment as an independent officer as provided for by the aforementioned Exchange.
5. The Company has entered into a directors and officers liability insurance (hereinafter, referred to as "D&O Insurance") agreement with an insurance company, through which damages (excluding damages stipulated in the disclaimer in the insurance agreement) will be compensated for in the event that a Director, Audit & Supervisory Board Member, or other such person becomes liable for damages that arise from their duties. The Company bears the entire cost of insurance premiums for the D&O Insurance. Should all candidates be elected and assume the role of Director, the Company plans to insure all Directors with the D&O Insurance. The term of the D&O Insurance agreement is one (1) year, and the Company plans to renew this agreement upon a resolution by the Board of Directors prior to the expiration of said term.

Proposal 4: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Toru Nakajima will expire at the conclusion of this meeting. In that regard, the Company proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has consented to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position and important concurrent posts	
Toru Nakajima (January 27, 1960) Reelection Outside Independent Number of the Company's shares held: 1,800 shares Attendance at meetings of the Audit & Supervisory Board: 18/18 Years served as Outside Audit & Supervisory Board Member: 4 years (at the conclusion of this general meeting of shareholders)	Apr. 1983	Joined Taiyo Kobe Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
	Oct. 2003	General Manager of Matsudo Branch, Sumitomo Mitsui Banking Corporation
	Apr. 2006	Head of Retail Department, Chiba Block Region, Sumitomo Mitsui Banking Corporation
	Apr. 2010	Head of Loan Business Department, Sumitomo Mitsui Banking Corporation
	Apr. 2013	Executive Officer, Head of Retail Business Division, The Minato Bank, Ltd.
	Apr. 2014	Executive Officer, Head of Sales Planning Division and Head of Asia Office, Sales Planning Division, The Minato Bank, Ltd.
	Apr. 2015	Managing Executive Officer, The Minato Bank, Ltd.
	Jun. 2018	President and Representative Director, Kobe Minato Service Co., Ltd.
	Apr. 2021	Standing Audit & Supervisory Board Member, the Company (incumbent)
[Reasons for nomination as candidate for Outside Audit & Supervisory Board Member] Toru Nakajima has held important positions at financial institutions over the course of many years, and has extensive experience and exceptional insight from serving in a managerial capacity at business companies. Since assuming the office of Outside Audit & Supervisory Board Member of the Company in April 2021, he has strived to strengthen management supervision functions at the Board of Directors, based on such experience and insight. Accordingly, the Company proposes his reelection as an Outside Audit & Supervisory Board Member.		

Notes:
1. There are no special interests between the candidate and the Company.
2. Toru Nakajima is a candidate for Outside Audit & Supervisory Board Member.
3. The Company has entered into an agreement with Outside Audit & Supervisory Board Member Toru Nakajima as of April 20, 2021 to limit his liability for damages under Article 423, paragraph 1 of the Companies Act, pursuant to Article 427, paragraph 1 of the same Act. If he is reelected as Audit & Supervisory Board Member as proposed, the Company plans to renew the aforementioned agreement with him. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations.
4. The Company has submitted notification to the Tokyo Stock Exchange that Toru Nakajima has been appointed as an independent officer as provided for by the aforementioned Exchange, and the Company plans to submit notification for another term, if he is reelected as Audit & Supervisory Board Member as proposed.
5. The Company has entered into a directors and officers liability insurance (hereinafter, referred to as "D&O Insurance") agreement with an insurance company, through which damages (excluding damages stipulated in the disclaimer in the insurance agreement) will be compensated for in the event that a Director, Audit & Supervisory Board Member, or other such person becomes liable for damages that arise from their duties. The Company bears the entire cost of insurance premiums for the D&O Insurance. Should Toru Nakajima be elected and assume the role of Audit & Supervisory Board Member, the Company plans to insure him with the D&O Insurance. The term of the D&O Insurance agreement is one (1) year, and the Company plans to renew this agreement upon a resolution by the Board of Directors prior to the expiration of said term.

[Reference] Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members

The Company's Nomination Advisory Committee has outlined the Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members as follows, and designates outside officers that do not fall under any of the items below as independent Outside Directors or independent Outside Audit & Supervisory Board Members. In addition, to avoid any concerns regarding independence after an individual assumes office that are caused by a prolonged term of office, the number of consecutive years in office is, in principle, eight years.

(1) An officer or employee of a group company

- A person from a group company of the Company
- A person whose first- to second-degree relative was a Director, Audit & Supervisory Board Member, Senior Officer, Executive Officer, or an Official of a group company in the previous five years

(2) A person with connections to a major customer

- A Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of a customer group whose transaction amount accounts for 2% or more of the most recent year-end consolidated sales of the Company. Or a person who held any of the aforementioned positions in the previous three years
- A Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of a financial institution group from which borrowings account for 1% or more of the most recent year-end consolidated total assets of the Company. Or a person who held any of the aforementioned positions in the previous three years

(3) A person who provides specialist services (attorney at law, certified public accountant, certified public tax accountant, patent attorney, judicial scrivener, consultant, etc.)

- A person who has received ¥5 million or more per year in remuneration from group companies in the previous two years

(4) A person employed by an audit firm that conducts statutory audits of the Company, or a person who was in charge of the auditing services of a group company in the previous three years

(5) Major Shareholder, etc.

- A major shareholder (in the event that the shareholder is a corporation, a Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of said corporation) with 5% or more of the voting rights in the Company (in the event that the shareholder is a corporation, the total voting rights of the corporate group that said corporation belongs to)
- A Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of a corporation with which the Company has a relationship of mutually exchanging Directors, Audit & Supervisory Board Members, and Executive Officers. Or a person who held any of the aforementioned positions in the previous three years
- A Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of a corporation that is in competition with a group company. Or a person who holds 3% or more of the shares in a competing corporation (in the event that the shareholder is a corporation, a Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of said corporation)
- A person with any other significant interest in a group company (in the event that the entity with a significant interest is a corporation, a Director, Audit & Supervisory Board Member, Officer, Executive Officer, or employee of said corporation)

[Reference] Composition of the Board of Directors subject to approval of Proposals 3 and 4

Skills Matrix

Name	Position in the Company	Outside/ Independent	Corporate management, corporate strategy	Sales, marketing	Finance, accounting, capital policy	Legal affairs, risk management, internal control	HR, labor management	IT, digital	ESG, regional community	Product procurement/ development, logistics
Hiroyuki Koga	Chairman and Representative Director		○	○					○	○
Kuniharu Okuno	President and Representative Director		○	○			○			○
Hiromitsu Doi	Director and Executive Officer		○	○						○
Reiko Tagami	Director and Executive Officer		○			○	○		○	
Daisuke Harada	Director and Executive Officer		○		○			○		
Naobumi Sato	Director	Outside Independent	○		○			○		
Hiroshi Harada	Director	Outside Independent	○			○			○	
Chie Tomari	Director	Outside Independent	○				○		○	○
Kazumasa Yamamura	Director	Outside Independent	○		○	○				
Shuichi Fujita	Standing Audit & Supervisory Board Member				○	○				
Toru Nakajima	Standing Audit & Supervisory Board Member	Outside Independent	○		○					
Kazuyuki Nakagawa	Audit & Supervisory Board Member	Outside Independent			○					
Akiko Tanetani	Audit & Supervisory Board Member	Outside Independent				○			○	