

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 8929

March 14, 2022

To our shareholders:

Masazumi Hasumi
President
Aoyama Zaisan Networks Company, Limited
8-4-14 Akasaka, Minato-ku, Tokyo

Notice of the 31st Annual General Meeting of Shareholders

You are cordially invited to attend the 31st Annual General Meeting of Shareholders of Aoyama Zaisan Networks Company, Limited (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights by sending the enclosed voting form by postal mail or via the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Tuesday, March 29, 2022 (JST).

1. Date and Time: Wednesday, March 30, 2022, at 10:00 a.m. (JST) (venue opens at 9:20 a.m.)

2. Venue: Meiji Kinenkan 2F, “Hourai”
2-2-23 Moto-akasaka, Minato-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 31st fiscal year (from January 1, 2021 to December 31, 2021), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 31st fiscal year (from January 1, 2021 to December 31, 2021)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Partial Amendment to Articles of Incorporation |
| Proposal No. 2 | Election of Ten Directors |
| Proposal No. 3 | Election of One Audit & Supervisory Board Member |
| Proposal No. 4 | Decision on Remuneration for Directors (Excluding Outside Directors) for Allocation of Restricted Stock |

4. Exercising Your Voting Rights

Please see “Exercising Your Voting Rights” on page 3.

<Notice Regarding Novel Coronavirus Infection>

Based on the recent situation regarding the spread of novel coronavirus disease (COVID-19) and in order to protect the health and safety of all of our shareholders, we request that you refrain from attending on the day of the General Meeting of Shareholders regardless of health condition, and exercise your voting rights in advance in writing (postal mail) or via the Internet, etc. if at all possible. We plan to release the proceedings of the meeting on the Company’s website at a later date, so please look there for the Company’s business reporting and other information.

- Please submit the enclosed voting form at the reception on your arrival. Also, please bring this Notice of the General Meeting of Shareholders as the reference material.
- In the case where any amendments are made to the Reference Documents for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements, the Company will publish the amended information on its website.
- Among those we are obliged to provide with this Notice of the General Meeting of Shareholders, the following documents are not included in the attached documents to this Notice of the General Meeting of Shareholders because they are published on the Company's website in accordance with laws and regulations, and Article 14 of the Company's Articles of Incorporation. Therefore, the attached documents to this Notice of the General Meeting of Shareholders are part of those audited by the Audit & Supervisory Board Members and the Financial Auditor in order to create the audit report.
 1. Notes to Consolidated Financial Statements, 2. Notes to Non-consolidated Financial StatementsCompany's website (<https://www.azn.co.jp/>)

Exercising Your Voting Rights

Voting rights at the General Meeting of Shareholders are the rights of shareholders.

Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights.

You can exercise your voting rights in the following three methods.

Attending the General Meeting of Shareholders

Please submit the enclosed voting form at the reception on your arrival.

Date and time of the General Meeting of Shareholders: Wednesday, March 30, 2022, at 10:00 a.m. (JST)

Exercising your voting rights by postal mail

Please indicate your approval or disapproval of the proposals in the enclosed voting form and return the form to the Company by postal mail.

Deadline for exercising voting rights: Tuesday, March 29, 2022, at 5:30 p.m. (JST)

Exercising your voting rights via the Internet, etc.

Please enter your approval or disapproval of the proposals following instruction described on the next page (available in Japanese only).

Deadline for exercising voting rights: Tuesday, March 29, 2022, at 5:30 p.m. (JST)

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Partial Amendment to Articles of Incorporation

1. Reasons for the Proposal

Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in response to the introduction of the system for providing informational materials for the General Meeting of Shareholders in electronic format.

- (1) Article 14 (Measures for Providing Information in Electronic Format, Etc.) paragraph (1) in “Proposed Amendments” is being added as it is being made mandatory to set forth in the Articles of Incorporation that measures will be taken to provide reference documents for the General Meeting of Shareholders in electronic format.
- (2) Article 14 (Measures for Providing Information in Electronic Format, Etc.) paragraph (2) in “Proposed Amendments” is being added in order to be able to limit the scope of matters provided in paper-based form to shareholders requesting delivery of paper-based documents to the scope prescribed by the Ministry of Justice Order for those matters to be electronically provided among the information contained in the reference documents for the General Meeting of Shareholders.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required once the system for providing informational materials for the General Meeting of Shareholders in electronic format is introduced, they will be deleted.
- (4) Supplementary provisions will be established in relation to the effect of the aforementioned additions and deletion. These supplementary provisions will be deleted after the effective date has passed.

2. Details of Amendments

The details of the amendments are as follows:

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 14</u> <u>When the Company convenes a General Meeting of Shareholders, if it discloses information that is to be stated or presented in the reference documents for the General Meeting of Shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)</p>	<p>(Delete)</p> <p><u>(Measures for Providing Information in Electronic Format, Etc.)</u> <u>Article 14</u> 1 <u>When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format.</u> 2 <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

(Newly established)

(Supplementary Provisions)

(Transitional Measures Regarding Provision of Informational Materials for General Meeting of Shareholders in Electronic Format)

Article 1

- 1 The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) and addition of Article 14 (Measures for Providing Information in Electronic Format, Etc.) shall take effect on September 1, 2022.
- 2 Notwithstanding the provision of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain in effect for General Meetings of Shareholders held within six months of September 1, 2022.
- 3 The provisions of this article shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.

Proposal No. 2 Election of Ten Directors

The terms of office of all ten Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of ten Directors (two of whom are outside Directors).

The candidates for Director are as follows:

Candidate No.	Name	Current Position	Attribution
1	Masazumi Hasumi	President	Reelection
2	Masayuki Yagi	Director	Reelection
3	Takeshi Matsuura	Director	Reelection
4	Takaomi Ogawa	Director	Reelection
5	Shintaro Hashiba	Director	Reelection
6	Shinji Shimane	Director	Reelection
7	Hideo Matsuda	Director	Reelection
8	Michihiro Nagasaka	Director	Reelection
9	Haruo Shimada	Director	Reelection Outside Independent
10	Keiji Watanabe	Director	Reelection Outside Independent

Reelection: Candidate for reelected Director

Outside: Candidate for outside Director

Independent: Independent officer as provided for by Stock Exchange, etc.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	Masazumi Hasumi (December 7, 1956) Reelection	<p>Aug. 1983 Joined Aoyama Audit Corporation</p> <p>Nov. 1991 Joined Yamada & Partners Accounting Office (current: Yamada & Partners Certified Public Tax Accountants' Co.) and BDO Sanyu & Co.</p> <p>Dec. 1996 Representative Director of Proggest Co., Ltd. (company name changed to Proggest Holdings, Ltd. in July 2005)</p> <p>July 2001 Director of TFR Sogo Kenkyusho</p> <p>July 2005 Representative Director of Proggest Co., Ltd. (current: Aoyama Zaisan Investments Co., Ltd.) (current position)</p> <p>Sept. 2008 Director of the Company</p> <p>Oct. 2008 President</p> <p>Mar. 2009 Director of Funai Estate Co., Ltd. (current: Aoyama Estate Co., Ltd.)</p> <p>Oct. 2010 Director of KRF Corporation (current: Aoyama Estate Co., Ltd.) (current position)</p> <p>Jan. 2011 President and Executive Officer of the Company</p> <p>Jan. 2011 Managing Director of Aoyama Wealth Management Pte. Ltd. (current position)</p> <p>June 2012 Outside Director of UKAI CO., LTD.</p> <p>Oct. 2013 Director of Nihon Shisan Soken Co., Ltd.</p> <p>Oct. 2013 President of Aoyama Zaisan Networks USA, Inc. (current position)</p> <p>Mar. 2014 President of the Company (current position)</p> <p>Aug. 2016 President of Business Succession Navigator Corporation (current position)</p> <p>Feb. 2017 Representative Director of Aoyama Investment Partners No.1 Co., Ltd. (current position)</p> <p>June 2017 Director of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.)</p> <p>June 2017 Director of PT. Aoyama Zaisan Networks Indonesia (current position)</p> <p>Mar. 2018 Chairman of Nihon Shisan Soken Co., Ltd. (current position)</p> <p>Dec. 2019 Chairman of Aoyama Zaisan Networks Kyushu, Co., Ltd. (current position)</p> <p>Oct. 2020 Representative Director of Aoyama Financial Service Co., Ltd. (current position)</p> <p>Jan. 2021 Representative Director of Aoyama Family Office Service Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director of Aoyama Estate Co., Ltd.</p> <p>Representative Director of Aoyama Zaisan Investments Co., Ltd.</p> <p>Chairman of Nihon Shisan Soken Co., Ltd.</p> <p>Managing Director of Aoyama Wealth Management Pte. Ltd.</p> <p>President of Aoyama Zaisan Networks USA, Inc.</p> <p>President of Business Succession Navigator Corporation</p> <p>Representative Director of Aoyama Investment Partners No.1 Co., Ltd.</p> <p>Director of PT. Aoyama Zaisan Networks Indonesia</p> <p>Chairman of Aoyama Zaisan Networks Kyushu, Co., Ltd.</p> <p>Representative Director of Aoyama Financial Service Co., Ltd.</p>	2,493,381 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
		Representative Director of Aoyama Family Office Service Co., Ltd.	
		<p>Reasons for nomination as candidate for Director</p> <p>Serving as President of the Company, Mr. Hasumi has extensive experience as a corporate manager and a high level of knowledge about the Company's business activities. Since he has implemented his duties of determining the Company's important issues and supervising Directors and Executive Officers in performing their duties in an appropriate, fair and efficient manner, he is expected to continue his contribution to strengthening the governance system. Accordingly, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>	
2	Masayuki Yagi (April 24, 1967) Reelection	<p>Apr. 1990 Joined Murakami Corporation</p> <p>Sept. 1991 Joined the Company</p> <p>Jan. 2005 Executive Officer, Manager of Individual Asset Consulting Department</p> <p>Mar. 2006 Director, Executive Officer, Manager of First Business Department</p> <p>Jan. 2011 Executive Officer, Manager of Individual Asset Consulting Department</p> <p>Jan. 2013 Executive Officer, General Manager of Business Division</p> <p>Mar. 2013 Director, Executive Officer, General Manager of Business Division</p> <p>Oct. 2013 Director of Nihon Shisan Soken Co., Ltd.</p> <p>Mar. 2014 Director, Managing Executive Officer, General Manager of Business Division of the Company</p> <p>Dec. 2014 Director of Aoyama Wealth Management Pte. Ltd. (current position)</p> <p>June 2017 Director of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) (current position)</p> <p>Dec. 2017 Director of Aoyama Investment Partners No.1 Co., Ltd. (current position)</p> <p>July 2020 Director, Managing Executive Officer, General Manager of the Business Division, General Manager of Business Succession Consulting First Division of the Company</p> <p>Jan. 2021 Director, Managing Executive Officer, General Manager of the Business Division, General Manager of Real-estate Second Division</p> <p>June 2021 Director of Business Succession Navigator Corporation (current position)</p> <p>Jan. 2022 Director, Managing Executive Officer, and General Manager of Administration Division of the Company (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director of Nihon Shisan Soken Co., Ltd.</p> <p>Director of Aoyama Wealth Management Pte. Ltd.</p> <p>Director of Aoyama Investment Partners No.1 Co., Ltd.</p> <p>Director of Business Succession Navigator Corporation</p>	133,424 shares
		<p>Reasons for nomination as candidate for Director</p> <p>Serving as Director, Managing Executive Officer, and General Manager of Business Division of the Company, Mr. Yagi directs and supervises the overall sales division and performs his duties relating to the Company's business activities appropriately. Furthermore, from this fiscal year, he will promote the reinforcement of management functions, such as personnel, general affairs, accounting, legal affairs, and PM management, as General Manager of the Administration Division. As he is expected to continue his contribution to the long-term improvement of the enterprise value and strengthening the governance system, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
3	Takeshi Matsuura (May 6, 1965) Reelection	<p>Apr. 1991 Joined Daiwa House Industry Co., Ltd.</p> <p>May 1995 Joined Nissho Iwai Real Estate Corp. (current: Sojitz Corporation)</p> <p>Oct. 2000 Joined the Company</p> <p>Jan. 2005 Executive Officer, Manager of Real-estate Department of the Company</p> <p>Jan. 2006 President of Funai Estate Co., Ltd. (current: Aoyama Estate Co., Ltd.)</p> <p>Mar. 2007 Director, Executive Officer, Manager of Sixth Business Department of the Company</p> <p>Oct. 2010 Representative Director of KRF Corporation (current: Aoyama Estate Co., Ltd.) (current position)</p> <p>Jan. 2011 Executive Officer, Manager of Real-estate Department of the Company</p> <p>Mar. 2014 Director, Executive Officer, General Manager of Real-estate Division</p> <p>Mar. 2016 Director of Nihon Shisan Soken Co., Ltd.</p> <p>Mar. 2016 Director, Managing Executive Officer, General Manager of Real-estate Division of the Company</p> <p>June 2017 Director of Shinsei Aoyama Partners Co., Ltd. (current position)</p> <p>June 2017 Director of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) (current position)</p> <p>June 2017 Director of PT. Aoyama Zaisan Networks Indonesia (current position)</p> <p>July 2017 Director of Aoyama Zaisan Networks USA, Inc. (current position)</p> <p>July 2017 Director of Proggest Co., Ltd. (current: Aoyama Zaisan Investments Co., Ltd.) (current position)</p> <p>Jan. 2021 Director, Managing Executive Officer, General Manager of Real-estate First Division of the Company</p> <p>Jan. 2022 Director, Managing Executive Officer, and General Manager of Real-estate Division (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director of Aoyama Estate Co., Ltd. Director of Nihon Shisan Soken Co., Ltd. Director of Shinsei Aoyama Partners Co., Ltd. Director of PT. Aoyama Zaisan Networks Indonesia Director of Aoyama Zaisan Networks USA, Inc. Director of Aoyama Zaisan Investments Co., Ltd.</p>	82,932 shares
<p>Reasons for nomination as candidate for Director</p> <p>Serving as Director, Managing Executive Officer, and General Manager of Real-estate First Division of the Company, Mr. Matsuura performs his duties appropriately, using his extensive experience and a high level of knowledge to supervise the Company's Real-estate Division. He is also in charge of the provision of profitable real estate in Japan and abroad and the regional revitalization business, which leads to contribution to regional economies. As he is expected to continue his contribution to the long-term improvement of the enterprise value and strengthening the governance system, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
4	Takaomi Ogawa (June 12, 1972) Reelection	<p>Apr. 1991 Joined Chiba Nichirei Service Co., Ltd.</p> <p>Sept. 1992 Joined Takano Yasuo Zeirishi Jimusho (current: Zeimu Sogo Tax Corporation)</p> <p>Oct. 1995 Joined Fudosan Kaikei Sogo Center (current: Nihon Shisan Soken Co., Ltd.)</p> <p>Aug. 2003 Director of Funai Zaisan Consultants Keiyo Co., Ltd. (current: Nihon Shisan Soken Co., Ltd.)</p> <p>Jan. 2009 Director of Nihon Shisan Soken Consultant Inc. (current: Nihon Shisan Soken Co., Ltd.)</p> <p>Dec. 2009 President of Funai Zaisan Consultants Keiyo Co., Ltd. (current: Nihon Shisan Soken Co., Ltd.)</p> <p>Oct. 2013 Executive Officer, General Manager of NSS Division of the Company</p> <p>Mar. 2016 Director, Executive Officer, General Manager of NSS Division</p> <p>June 2017 President of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) (current position)</p> <p>Apr. 2020 Representative Director of Nitto Fudosan Co., Ltd. (current position)</p> <p>Jan. 2022 Director, Managing Executive Officer in charge of Consulting Business and General Manager of NSS Division of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) President of Nihon Shisan Soken Co., Ltd. Representative Director of Nitto Fudosan Co., Ltd.</p>	139,676 shares
<p>Reasons for nomination as candidate for Director</p> <p>Mr. Ogawa serves not only as Director, Executive Officer and General Manager of NSS Division of the Company, but also as President of Nihon Shisan Soken Co., Ltd., a subsidiary, contributing to the expansion of business performance of the Group in the Keiyo area, using his extensive experience, and therefore performs his duties appropriately. Furthermore, from this fiscal year, he will promote the expansion of the Company's consulting business as the person in charge of the Consulting Business. As he is expected to continue his contribution to expanding the Company's performance and strengthening the governance system, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
5	Shintaro Hashiba (March 22, 1964) Reelection	<p>Apr. 1987 Joined The Kyowa Bank, Ltd. (current: Resona Bank, Limited)</p> <p>Oct. 2003 General Manager of Shin-Yurigaoka Branch</p> <p>Oct. 2004 General Manager of Tokyo Central Marketing Division 1</p> <p>July 2008 General Manager of Shin-Toshin Marketing Division 3</p> <p>Aug. 2013 Director, Deputy Division Manager of Marketing Division, General Manager of Business Development Department of J-COM Co., Ltd. (current: LIKE, Inc.)</p> <p>May 2014 Director of J-COM Holdings Co., Ltd. (current: LIKE, Inc.)</p> <p>May 2014 President and Representative Director of Sunrise Villa Co., Ltd. (current: LIKE Care, Inc.)</p> <p>Nov. 2015 Joined the Company General Manager of Management Planning Office</p> <p>Jan. 2017 Executive Officer, Manager of Management Planning Department</p> <p>Aug. 2017 Executive Officer, General Manager of Administration Division</p> <p>Aug. 2017 Director of Aoyama Estate Co., Ltd. (current position)</p> <p>Aug. 2017 Commissioner of PT. Aoyama Zaisan Networks Indonesia (current position)</p> <p>Aug. 2017 Auditor of Aoyama Investment Partners No.1 Co., Ltd. (current position)</p> <p>Oct. 2017 Director of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) (current position)</p> <p>Mar. 2020 Director, Executive Officer, General Manager of Administration Division of the Company</p> <p>Apr. 2020 Director of Nitto Fudosan Co., Ltd. (current position)</p> <p>July 2020 Director, Executive Officer, General Manager of Administration Planning Division of the Company</p> <p>Jan. 2021 Director of Aoyama Family Office Service Co., Ltd. (current position)</p> <p>Jan. 2022 Director, Managing Executive Officer, and General Manager of Planning and Development Division of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Director of Nihon Shisan Soken Co., Ltd. Director of Aoyama Estate Co., Ltd. Auditor of Aoyama Investment Partners No.1 Co., Ltd. Commissioner of PT. Aoyama Zaisan Networks Indonesia Director of Nitto Fudosan Co., Ltd. Director of Aoyama Family Office Service Co., Ltd.</p>	18,653 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
		<p>Reasons for nomination as candidate for Director</p> <p>Mr. Hashiba is serving as Director, Executive Officer, General Manager of Administration Planning Division of the Company, and using his extensive experience and knowledge, he has been reinforcing management functions. Furthermore, from this fiscal year, he will promote planning and development of the Company, such as accounting, IR & PR, business development and management planning, as General Manager of the Planning and Development Division. Since his wide-ranging experience and knowledge continue to be necessary for organizing the management platform and developing new business strategies to achieve the Company's continuous growth, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
6	Shinji Shimane (October 27, 1971) Reelection	<p>Oct. 1995 Joined Ota Showa Audit Corporation (current: Ernst & Young ShinNihon LLC)</p> <p>Oct. 2000 Joined Avaya Japan Ltd.</p> <p>Sept. 2001 Joined Proggest Co., Ltd. (current: Aoyama Zaisan Investments Co., Ltd.)</p> <p>Aug. 2006 Director of Proggest Co., Ltd. (current: Aoyama Zaisan Investments Co., Ltd.) (current position)</p> <p>Jan. 2011 Temporarily transferred to the Company</p> <p>Jan. 2014 Executive Officer, General Manager of Business Succession Consulting Division</p> <p>Jan. 2015 Transferred to the Company</p> <p>Jan. 2016 Representative Director of Shinsei Aoyama Partners Co., Ltd. (current position)</p> <p>Mar. 2016 Director of Nihon Shisan Soken Co., Ltd.</p> <p>Mar. 2016 Director, Executive Officer, General Manager of Business Succession Consulting Division of the Company</p> <p>Aug. 2016 Director of Business Succession Navigator Corporation (current position)</p> <p>June 2017 Director of Nihon Shisan Soken Co., Ltd. (formerly Nihon Shisan Soken Consultant Inc.) (current position)</p> <p>Dec. 2017 Director of Aoyama Investment Partners No.1 Co., Ltd. (current position)</p> <p>Dec. 2019 Director of Aoyama Zaisan Networks Kyushu, Co., Ltd.</p> <p>July 2020 Director, Executive Officer, General Manager of Business Succession Consulting Second Division of the Company</p> <p>Jan. 2021 Director, Executive Officer, and General Manager of Consulting Fourth Division</p> <p>Jan. 2022 Director, Executive Officer, and General Manager of Business Succession Fund Department (current position)</p> <p>(Significant concurrent positions outside the Company) Director of Aoyama Zaisan Investments Co., Ltd. Director of Nihon Shisan Soken Co., Ltd. Representative Director of Shinsei Aoyama Partners Co., Ltd. Director of Business Succession Navigator Corporation Director of Aoyama Investment Partners No.1 Co., Ltd.</p>	91,705 shares
<p>Reasons for nomination as candidate for Director</p> <p>Serving as Director, Executive Officer, and General Manager of Consulting Fourth Division, Mr. Shimane performs his duties appropriately as he supervises the Company's Business Succession Consulting Division using his extensive experience and a high level of knowledge and makes efforts to provide a service to support corporate owners in decision-making as a joint project with a business partner, Nihon M&A Center Inc. As he is expected to continue his contribution to expanding the Company's performance and strengthening the governance system, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
7	Hideo Matsuda (November 2, 1961) Reelection	<p>Apr. 1984 Joined Sato Sumio Zeirishi Jimusho (current: Meinan Keiei Tax Corporation)</p> <p>Jan. 2006 Managing Director of Meinan Keiei Co., Ltd. (current: Meinan Keiei Consulting Co., Ltd.)</p> <p>Feb. 2013 Director of Meinan Holdings (current: Meinan Keiei Holdings)</p> <p>June 2013 President and Chief Executive Officer of Meinan (Ningbo) Investment Co., Ltd.</p> <p>Dec. 2014 Representative Director of Meinan Zaisan Consultants Co., Ltd.</p> <p>Dec. 2014 Director of Meinan Zaisan Consulting Co., Ltd.</p> <p>Jan. 2018 Joined the Company Executive Officer, General Manager of General Information Network Division</p> <p>Mar. 2018 Director, Executive Officer, General Manager of General Information Network Division</p> <p>June 2018 Director of Business Succession Navigator Corporation (current position)</p> <p>Dec. 2019 President of Aoyama Zaisan Networks Kyushu, Co., Ltd.</p> <p>Oct. 2020 Director of Aoyama Financial Service Co., Ltd. (current position)</p> <p>Jan. 2021 Director of Aoyama Zaisan Networks Kyushu, Co., Ltd. (current position)</p> <p>Jan. 2022 Director, Executive Officer, General Manager of General Information Network Department of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Director of Business Succession Navigator Corporation Director of Aoyama Zaisan Networks Kyushu, Co., Ltd. Director of Aoyama Financial Service Co., Ltd.</p>	2,366 shares
<p>Reasons for nomination as candidate for Director</p> <p>Serving as Director, Executive Officer and General Manager of General Information Network Division, Mr. Matsuda performs his duties appropriately as he makes efforts to expand a national network of tax accountants' corporations and accounting firms and supervises the development and sale of operating lease products. As he is expected to continue his contribution to expanding the Company's performance and strengthening the governance system, the Company judged that he is proper for the status as its Director and appointed him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
8	<p style="text-align: center;">Michihiro Nagasaka (April 21, 1962) Reelection</p>	<p>Apr. 1985 Joined Wakabayashi Law Office Mar. 1992 Joined Nihon M&A Center Inc. Dec. 2010 Manager of Business Promotion Department of Nihon M&A Center Inc. Mar. 2014 Outside Director of the Company (current position) Apr. 2015 Manager of Sales Support Department, General Planning Division of Nihon M&A Center Inc. Aug. 2016 Vice President of Business Succession Navigator Corporation July 2021 Director of Business Succession Navigator Corporation (current position) (Significant concurrent positions outside the Company) Director of Business Succession Navigator Corporation</p>	9,715 shares
<p>Reasons for nomination as candidate for Director Having served as Business Succession Executive Advisor in the Sales Planning Department, General Planning Division of Nihon M&A Center Inc., Mr. Nagasaka has played a part in the development of the Company, such as by providing useful advice concerning business knowhow and marketing promotion for business succession consulting as an outside Director of the Company for many years. As he will further increase the level of participation into the Company's business succession consulting extensively, and continue to reinforce the relationship with Nihon M&A Center Inc. even more by assuming office as full-time Director of the Company from this fiscal year, the Company appointed him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
9	<p style="text-align: center;">Haruo Shimada (February 21, 1943) Reelection Outside Independent</p>	<p>Apr. 1975 Associate professor of Faculty of Economics, Keio University</p> <p>May 1978 Visiting Senior Researcher of Economic Research Institute, Economic Planning Agency</p> <p>Apr. 1982 Professor of Faculty of Economics, Keio University</p> <p>Mar. 1986 Visiting professor of Massachusetts Institute of Technology</p> <p>May 1995 Outside Auditor of Okaya & Co., Ltd.</p> <p>June 2000 Visiting professor of Research Center for Advanced Science and Technology, the University of Tokyo</p> <p>June 2001 Outside Auditor of DENTSU INC.</p> <p>Apr. 2002 Outside Director of Millea Holdings, Inc. (current: Tokio Marine Holdings, Inc.)</p> <p>June 2002 Outside Director of Asahi Glass Co., Ltd.</p> <p>Apr. 2004 Chairman, Fujitsu Research Institute, Economic Research Center</p> <p>Mar. 2007 Outside Director of the Company (current position)</p> <p>Apr. 2007 President of Chiba University of Commerce</p> <p>Aug. 2008 Outside Director of SANGIKYO CORPORATION</p> <p>Oct. 2008 Outside Auditor of Temp Holdings Co., Ltd. (current: PERSOL HOLDINGS CO., LTD.)</p> <p>June 2012 Outside Director of Alfresa Holdings Corporation</p> <p>May 2015 Outside Director of Okaya & Co., Ltd. (current position)</p> <p>Sept. 2015 Outside Director of Legend Partners Ltd.</p> <p>Jan. 2016 President of Shimada Sogo Kenkyujo (current position)</p> <p>Jan. 2017 President of the Japan Forum on International Relations, Inc.</p> <p>Apr. 2017 Chairperson of Tokyo Metropolitan Public University Corporation</p> <p>Feb. 2021 Outside Director of Tech I.S. Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of Okaya & Co., Ltd. President of Shimada Sogo Kenkyujo Outside Director of Tech I.S. Co., Ltd. (current position)</p>	9,612 shares
<p>Reasons for nomination as candidate for outside Director and summary of expected role</p> <p>Using his extensive knowledge as a long-term economics researcher, Mr. Shimada is expected to continue providing supervision, advice, etc. to Directors in performing their duties, from his independent position. Furthermore, if he is elected, the Company expects that he will be involved in the selection of officer candidates and the determination of officer remuneration, etc. from an objective and neutral standpoint as a member of the Nominating Committee and the Remuneration Advisory Committee. The Company has judged that he will appropriately fulfill his duties as an outside Director based on the above reasons, and appointed him as a candidate. At the conclusion of this meeting, Mr. Shimada's tenure as outside Director of the Company will have been 15 years.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
10	Keiji Watanabe (January 21, 1943) Reelection Outside Independent	<p>Oct. 1975 Joined Price Waterhouse Accounting Office (current: PricewaterhouseCoopers Aarata LLC)</p> <p>July 1987 Representative Partner of Aoyama Audit Corporation (current: PricewaterhouseCoopers Aarata LLC) Partner of PricewaterhouseCoopers (current: PricewaterhouseCoopers Aarata LLC)</p> <p>Aug. 1995 Joined Tohmatsu & Co. (current: Deloitte Touche Tohmatsu LLC)</p> <p>Apr. 1996 Representative Partner</p> <p>June 2000 Outside Director of Ichiyoshi Securities Co., Ltd.</p> <p>July 2003 Global Middle Markets Leader of Deloitte Touche Tohmatsu LLC</p> <p>June 2008 Outside Director of ASAHI KOGYOSHA CO., LTD. (current position)</p> <p>June 2010 Outside Director of SBI Holdings, Inc.</p> <p>Mar. 2011 Outside Director of the Company (current position)</p> <p>June 2017 Outside Director of SBI Insurance Group Co., Ltd. (current position)</p> <p>June 2017 Outside Corporate Auditor of Hokuetsu Corporation (current position)</p> <p>June 2018 Outside Director of UKAI CO., LTD. (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of ASAHI KOGYOSHA CO., LTD. Outside Director of SBI Insurance Group Co., Ltd. Outside Corporate Auditor of Hokuetsu Corporation Outside Director of UKAI CO., LTD.</p>	5,705 shares
<p>Reasons for nomination as candidate for outside Director and summary of expected role Holding experience and professional knowledge as an expert of accounting, in particular, Mr. Watanabe is expected to continue to utilize said knowledge to provide supervision, advice, etc. to Directors in performing their duties from an objective standpoint as an expert of accounting. Furthermore, if he is elected, the Company expects that he will be involved in the selection of officer candidates and the determination of officer remuneration, etc. from an objective and neutral standpoint as a member of the Nominating Committee and the Remuneration Advisory Committee. The Company has judged that he will appropriately fulfill his duties as an outside Director based on the above reasons, and appointed him as a candidate. At the conclusion of this meeting, Mr. Watanabe's tenure as outside Director of the Company will have been 11 years.</p>			

- Notes:
- Special interests between the candidates and the Company are as follows.
Business Succession Navigator Corporation, whose President is Masazumi Hasumi and Director is Michihiro Nagasaka, has concluded a business outsourcing contract concerning planning and operation of seminars and advertisement with the Company.
Nihon M&A Center Inc., at which Michihiro Nagasaka holds a position, is in partnership with the Company to provide asset, business succession and real-estate consultation for corporate owners.
There is no special interest between any other candidates and the Company.
 - Haruo Shimada is a candidate for outside Director.
The Company has submitted notification to the Tokyo Stock Exchange that Haruo Shimada has been designated as an independent officer as provided for by the aforementioned exchange. If the reelection of Haruo Shimada is approved, the Company plans for his appointment as an independent officer to continue.
 - Keiji Watanabe is a candidate for outside Director.
The Company has submitted notification to the Tokyo Stock Exchange that Keiji Watanabe has been designated as an independent officer as provided for by the aforementioned exchange. If the reelection of Keiji Watanabe is approved, the Company plans for his appointment as an independent officer to continue.
 - The Company has entered into limited liability agreements with Haruo Shimada, and Keiji Watanabe, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act. The maximum amount of liability for damages under these

agreements is ¥5 million or the amount provided for under laws and regulations whichever is higher. If the reelection of Haruo Shimada and Keiji Watanabe is approved, the Company plans to renew the aforementioned limited liability agreements with them.

5. The Company has entered into a contract of Directors and Officers Liability Insurance (D&O Insurance) with AIG General Insurance Company, Ltd. that covers Masazumi Hasumi, Masayuki Yagi, Takeshi Matsuura, Takaomi Ogawa, Shintaro Hashiba, Shinji Shimane, Hideo Matsuda, Michihiro Nagasaka, Haruo Shimada and Keiji Watanabe as insured persons, pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act. As the scope of insured persons is Directors and Audit & Supervisory Board Members, including those at subsidiaries and those who are outside officers, Masazumi Hasumi, Masayuki Yagi, Takeshi Matsuura, Takaomi Ogawa, Shintaro Hashiba, Shinji Shimane, Hideo Matsuda, Michihiro Nagasaka, Haruo Shimada and Keiji Watanabe are included as insured persons in this insurance policy. This insurance policy covers damages which may arise from liability borne by the officers, etc. who are insured persons in the course of execution of their duties or claims pertaining to the pursuit of such liability. The Company shall bear the full expense of the insurance premiums. In addition, the Company plans to renew the insurance policy with the same details at the time of the next renewal.
6. Number of the Company's shares owned by the candidates includes those owned by them under the directors' stock ownership plan as of December 31, 2021.

Proposal No. 3 Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Hiroyuki Fujita will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of one Audit & Supervisory Board Member.

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

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

Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
<p>Hiroyuki Fujita (March 1, 1966) Reelection Outside Independent</p>	Apr. 1989 Joined The Mitsui Bank, Limited (current Sumitomo Mitsui Banking Corporation)	3,519 shares
	Aug. 1995 Joined Yamazaki Zeirishi Jimusho	
	Oct. 2000 Joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)	
	Apr. 2004 Registered as a certified public accountant	
	Mar. 2018 Outside Audit & Supervisory Board Member of the Company (current position)	
	Mar. 2018 Auditor of Nihon Shisan Soken Co., Ltd. (current position)	
	Mar. 2018 Auditor of Aoyama Estate Co., Ltd. (current position)	
	Mar. 2018 Audit & Supervisory Board Member of Business Succession Navigator Corporation (current position)	
	Mar. 2018 Auditor of Aoyama Zaisan Investments Co., Ltd. (formerly Proggest Co., Ltd.) (current position)	
	Dec. 2019 Audit & Supervisory Board Member of Aoyama Zaisan Networks Kyushu, Co., Ltd. (current position)	
	Apr. 2020 Audit & Supervisory Board Member of Nitto Fudosan Co., Ltd. (current position)	
	Oct. 2020 Audit & Supervisory Board Member of Aoyama Financial Service Co., Ltd. (current position)	
	Jan. 2021 Audit & Supervisory Board Member of Aoyama Family Office Service Co., Ltd. (current position)	
	<p>(Significant concurrent positions outside the Company) Auditor of Nihon Shisan Soken Co., Ltd. Auditor of Aoyama Estate Co., Ltd. Audit & Supervisory Board Member of Business Succession Navigator Corporation Auditor of Aoyama Zaisan Investments Co., Ltd. Audit & Supervisory Board Member of Aoyama Zaisan Networks Kyushu, Co., Ltd. Audit & Supervisory Board Member of Aoyama Financial Service Co., Ltd. Audit & Supervisory Board Member of Aoyama Family Office Service Co., Ltd. Audit & Supervisory Board Member of Nitto Fudosan Co., Ltd.</p>	
<p>Reasons for nomination as candidate for outside Audit & Supervisory Board Member The Company has nominated Hiroyuki Fujita as a candidate for outside Audit & Supervisory Board Member because it has judged that, based on his expert point of view and abundant experience as a certified public accountant, he can provide useful advice and supervise general management of the Company as an Audit & Supervisory Board Member of the Company.</p>		

- Notes:
- Hiroyuki Fujita is a candidate for outside Audit & Supervisory Board Member.
The Company has submitted notification to the Tokyo Stock Exchange that Hiroyuki Fujita has been designated as an independent officer as provided for by the aforementioned exchange. If the reelection of Hiroyuki Fujita is approved, the Company plans for his appointment as an independent officer to continue.
 - There is no special interest between Hiroyuki Fujita and the Company.
 - Hiroyuki Fujita is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as an outside Audit & Supervisory Board Member will have been four years.
 - The Company has entered into limited liability agreement with Hiroyuki Fujita, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act. The maximum amount of liability for damages under the agreement is ¥5 million or

the amount provided for under laws and regulations whichever is higher. If the reelection of Hiroyuki Fujita is approved, the Company plans to renew the aforementioned limited liability agreement with him.

5. Number of the Company's shares owned by Hiroyuki Fujita includes those owned by him under the directors' stock ownership plan as of December 31, 2021.
6. The Company has entered into a contract of Directors and Officers Liability Insurance (D&O Insurance) with AIG General Insurance Company, Ltd. that covers Hiroyuki Fujita as an insured person, pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act. As the scope of insured persons is Directors and Audit & Supervisory Board Members, including those at subsidiaries and those who are outside officers, Hiroyuki Fujita is included as an insured person in this insurance policy. This insurance policy covers damages which may arise from liability borne by the officers, etc. who are insured persons in the course of execution of their duties or claims pertaining to the pursuit of such liability. The Company shall bear the full expense of the insurance premiums. In addition, the Company plans to renew the insurance policy with the same details at the time of the next renewal.

Proposal No. 4 Determination of Remuneration for Directors (Excluding Outside Directors) for Allotment of Restricted Shares

The maximum amount of directors' remuneration was approved at the 16th Annual General Meeting of Shareholders held on March 24, 2007 at ¥500 million per annum (excluding their employee salary). In addition, at the 28th Annual General Meeting of Shareholders held on March 28, 2019, the specifics of non-monetary remuneration via the provision of company houses (the company houses are of ordinary types, and the difference between the total rent the Company pays (including the management expenses and common service expenses) and the total amount the Company collects from Directors as the house rent is no more than ¥40 million per annum) were approved.

The Company proposes to allot common shares of the Company to the Company's Directors (excluding outside Directors) with certain stipulations such as a restricted transfer period and grounds for acquisition without contribution (hereinafter the "Restricted Shares") so that the Company's Directors (excluding outside Directors) will share the benefits and risks of share price fluctuations with shareholders, thereby further increasing their motivation to contribute to improving share prices and enterprise value.

As such, the Company proposes to establish a limit for remuneration paid to the Company's Directors (excluding outside Directors) under this plan within the aforementioned ¥500 million per annum, based on a comprehensive consideration of various factors, such as the Directors' level of contribution to the Company. The allotment of Restricted Shares shall be determined based on a comprehensive consideration of various factors, such as the Directors' level of contribution to the Company. The percentage of the upper limit of the number of Restricted Shares to be allotted in each fiscal year as set forth in 2. below is around 0.2% of the total number of issued shares (the percentage of the total number of issued shares would be about 2.1% if the maximum number of Restricted Shares were to be issued over ten years), which is an insignificant dilution rate, so we believe that this is adequate. At the Board of Directors meeting held on February 8, 2022, the Company resolved to revise the policy for determining the details of individual Director remuneration, etc. as stated on page 23 on the condition that this proposal is approved and adopted. Allotment of Restricted Shares based on this proposal is in line with that policy.

Currently, the number of Directors is ten (including three outside Directors), and if Proposal No. 2 is approved, the number of Directors will be ten (including two outside Directors).

Specific Details and Maximum Number of Restricted Shares for the Company's Directors (Excluding Outside Directors)

1. Allotment of Restricted Shares and payment therefor

In accordance with the resolution of the Board of Directors of the Company, the Company shall pay a monetary remuneration claim to the Company's Directors (excluding outside Directors) within the aforementioned per annum amount as Restricted Shares remuneration, etc., and each Director shall receive the allotment by making in-kind contribution of all of the monetary remuneration claims.

The amount of Restricted Shares paid is based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day prior to the resolution of the Board of Directors of the Company related to issuance or disposal (if there have been no trades on that date, the closing price on the most recent trading day) and shall be determined by the Board of Directors of the Company at an amount that is not particularly advantageous to the Directors receiving the Restricted Shares.

In addition, the aforementioned monetary remuneration claims are paid on the condition that the Directors of the Company (excluding outside Directors) have agreed to the above-mentioned in-kind contribution and that a Restricted Shares allotment agreement including the details set forth in 3. below is concluded.

2. Total number of Restricted Shares

The total number of Restricted Shares to be allotted to the Directors of the Company (excluding outside Directors) is 50,000, which is the maximum number of Restricted Shares to be allotted each fiscal year.

However, in the event of a share split of the Company's common shares (including allotment of common shares without contribution), a consolidation of shares on or after the date of the resolution concerning this proposal, or any other event requiring adjustment of the total number of Restricted Shares to be allotted, the total number of Restricted Shares may be adjusted as reasonable.

3. Details of Restricted Shares allotment agreement

When allotting Restricted Shares, the Restricted Shares allotment agreement to be concluded between the Company and Directors receiving allotment of Restricted Shares shall include the content below in accordance with the resolution of the Board of Directors of the Company.

(1) Transfer restrictions

During the period from the date when the Restricted Shares are delivered until the day of retirement of office as the Company's Director (hereinafter the "Transfer Restriction Period"), Directors who receive an allotment of Restricted Shares (hereinafter the "Allotted Shares") shall be restricted from transferring, pledging, establishing a security interest on, gifting, bequeathing, or otherwise disposing of the Restricted Shares (hereinafter the "Transfer Restrictions").

(2) Acquisition of Restricted Shares without contribution

In the event that a Director who has received an allotment of Restricted Shares retires from the position, the Company shall rightfully acquire the Allotted Shares without contribution, except in cases where the Board of Directors of the Company finds a valid reason.

In addition, if there are any Allotted Shares for which the Transfer Restrictions have not been lifted pursuant to the provisions of the condition for lifting the Transfer Restrictions described in (3) below at the time of expiration of the Transfer Restriction Period described in (1) above, the Company shall rightfully acquire the Allotted Shares without contribution.

(3) Lifting of Transfer Restrictions

Upon expiration of the Transfer Restriction Period, the Company shall lift Transfer Restrictions on all Allotted Shares held by Directors who have received allotment of Restricted Shares at that time. However, if the Directors have retired for what the Company's Board of Directors deems a valid reason, the timing of lifting Transfer Restrictions may be adjusted as necessary and reasonable.

(4) Handling of organizational restructuring, etc.

In the event that a merger in which the Company is absorbed, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or other proposal related to organizational restructuring is approved at the Company's General Meeting of Shareholders (or at a meeting of the Company's Board of Directors, if such organizational restructuring, etc. does not require the approval of the Company's General Meeting of Shareholders) during the Transfer Restriction Period, the Company shall lift the Transfer Restrictions on all Allotted Shares prior to the effective date of such organizational restructuring, etc. by resolution of the Board of Directors.

In addition, the Company shall rightfully acquire, without contribution, the Allotted Shares for which the Transfer Restrictions have not been lifted immediately following the lifting of Transfer Restrictions based on the provisions above.

(Reference)

Following the conclusion of this Annual General Meeting of Shareholders, the Company plans to allot restricted shares equivalent to that described above to Directors of the Company's subsidiaries.

[Reference] Policy for Determining the Details of Individual Director Remuneration, etc.

1. Basic policy

The Company's basic policy is that the Directors remuneration is linked to shareholders' profits in order to have it fully function as an incentive for the sustainable enhancement of enterprise value, and that the remuneration of individual Directors is determined at an appropriate level in accordance with each Director's responsibilities.

2. Policy on director remuneration

(1) Base remuneration

The monthly fixed remuneration is determined in accordance with the role, responsibilities and length of service, taking into account such factors as the level of other companies, the Company's business performance and the level of employee salaries in a comprehensive manner.

(2) Performance-linked remuneration

In order to raise awareness toward the need to improve business performance each fiscal year, the Company compares the operating profit target for the fiscal year with the actual results, and provides monetary remuneration in an amount calculated in accordance with the degree of achievement and a restricted share-based remuneration corresponding to the amount at a certain time each year.

(3) Non-monetary remuneration

In order to enhance enterprise value over the medium- to long-term, a portion of the performance-linked remuneration described in (2) above shall be paid as restricted share-based remuneration, to be paid at a certain time each year. The shares subject to the restricted share-based remuneration shall be common shares subject to a certain period of restriction on transfer and the provision, etc., of a cause of gratis acquisition by the Company, and the number of shares of restricted share-based remuneration to be delivered shall be, in principle, the number of shares obtained by dividing the amount calculated in accordance with the degree of achievement of the business performance described in (2) above by the share price based on the closing price of the Company's common shares on the business day immediately preceding the date of the resolution of the Board of Directors of the Company regarding the issuance or the disposal of such shares.

Additionally, the Company has introduced a company housing system to provide company houses to Directors excluding outside Directors to aid their swift and smooth operations as well as to aim for increasing their motivation and raising morale, and provides ordinary type company houses at designated times in accordance with the Company Housing Management Regulations. The difference between the rent the Company pays (including the management expenses and common service expenses) and the amount the Company collects from the applicable Directors as the house rent shall be set within a reasonable range in light of the above purposes.

3. Percentage of each type of individual remuneration

The ratio of remuneration to be paid to each individual is determined so that the most appropriate ratio is achieved, taking into consideration the level of remuneration paid to companies of similar size and in related industries and business categories to those of the Company.

4. Determining individual remuneration

The amount and number of individual remunerations is determined by the Remuneration Advisory Committee based on a resolution of the Board of Directors upon delegation of the specific details thereof, and the details of its authority are to determine the amount of base remuneration and performance-linked remuneration and the number of share-based remunerations for each Director.

In order to enhance the transparency and objectivity of the deliberation process, the Remuneration Advisory Committee consists of at least three members, and in principle, at least two of them are outside Directors.