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Securities code: 2163

April 1, 2022

**To Our Shareholders:**

SEKIGUCHI Sozo

President and CEO

**Artner Co., Ltd.**

5-2, Nishidaimotsucho, Amagasaki, Hyogo

(Headquarters Sumitomo Nakanoshima Building 2F,

Nakanoshima 3-2-18, Kita-ku, Osaka City)

## **Notice of Convocation for the 60th Ordinary General Meeting of Shareholders**

You are hereby notified that the 59th Ordinary General Meeting of Shareholders ("the Meeting") of Artner Co., Ltd. ("the Company") will be held on Thursday, April 22, 2021, as described below.

Ensuring the health and safety of our shareholders is our top priority. To mitigate the risk of contracting or spreading COVID-19, the Company will hold the Meeting with preventive and protective measures in place.

However, we recommend that you exercise your voting rights in writing (by postal mail) or via the Internet in advance and refrain from attending the Meeting in person.

You may exercise your voting rights by either of the following methods. If you wish to exercise your voting rights after examining the attached reference materials for the Meeting, please do so by no later than 5:30 p.m. on Wednesday, April 20, 2022 (JST).

### **Instructions for exercising voting rights in writing (by postal mail)**

Please indicate your approval or disapproval of the proposals in the enclosed form and return it by postal mail by no later than the above-mentioned deadline.

### **Instructions for exercising voting rights via the Internet**

When exercising your voting rights via the Internet, please read the "Guide to Exercising Your Voting Rights via the Internet" and enter your approval or disapproval of the proposals by no later than the above-mentioned deadline.

**1.Time:** Thursday, April 21, 2021 10:00 a.m. (Reception starts at 9:00 a.m.)

**2.Place:** 3-1-1 Umeda, Kita-ku, Osaka Houou no ma (room), 20F, Hotel Granvia Osaka

**3.Purpose of meeting:**

**Matters to be reported on:**

Business report and financial statements for 60th Period (February 1, 2021, to January 31, 2022)

**Proposals:**

**Item No. 1:** Payment of dividends of surplus

**Item No. 2:** Partial amendment to Articles of Incorporation

**Item No. 3:** Election of five Directors who are not members of the Audit and Supervisory Committee

**Item No. 4:** Election of one Director who is a substitute member of the Audit and Supervisory Committee

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If you attend the Meeting in person, please sign and submit the form for exercising voting rights enclosed herewith to the receptionist at the venue.

Any amendments to be made to the reference materials, business report, or financial statements will be posted on the Company's website (<https://www.artner.co.jp>).

**Special Notice to Shareholders**

To mitigate the risk of contracting or spreading COVID-19, we will take the following measures for the Meeting. We appreciate your understanding and cooperation.

- There will be fewer seats available at the Meeting than before due to the need to provide sufficient space between seats. Admission to the Meeting may be limited.
- We will check the body temperature of every attending shareholder at the entrance to the meeting venue. An attending shareholder who is found to have a fever or who looks sick may be stopped and asked to refrain from entering.
- Please wear a mask during the Meeting. Hand sanitizer will be available for your convenience at the venue to prevent infection.
- We will run the Meeting smoothly and efficiently to keep it shorter than usual.
- Directors as well as administrative and operational staff will wear masks during the Meeting.

Depending on how the COVID-19 situation will develop by the time of the Meeting, we might change the procedure for the Meeting, including the above-mentioned measures. If significant changes should arise, we will post an update on the Company's website (<https://www.artner.co.jp>). Please check the website before you attend the Meeting.

## Reference Materials for the General Meeting of Shareholders

Proposals and supplementary information

### **Item No. 1:** Payment of dividends of surplus

In consideration of the Company's policy of returning profits to shareholders, the Company proposes to pay a year-end dividend of ¥20.50 per share.

If approved, the annual dividend for the fiscal year ended January 31, 2022 (the 60th Period), will amount to ¥34.50 per share, including the interim dividend of ¥14.00 paid earlier. This will be an increase of ¥11.50 from the fiscal year ended January 31, 2021.

Matters concerning the proposed year-end dividend

(1) Type of assets to be distributed to shareholders

Cash

(2) Matters concerning the allocation of assets to be distributed to shareholders and the total amount thereof

A cash dividend of ¥20.50 per common share of the Company will be paid. The total amount of dividends to be paid will be ¥217,823,652.

(3) Effective date of payment of dividend

April 22, 2022

**Item No. 2: Partial amendment to Articles of Incorporation**

**1. Reasons for amendments**

- (1) In preparation for an increase in the employment of persons with disabilities, and for future business expansion, we propose to add business purposes to Article 2, Purpose, of the current Articles of Incorporation.
- (2) The revised provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the "Act Partially Amending the Companies Act" (Act No. 70 of 2019) will come into effect on September 1, 2022. Therefore, in order to prepare for the adoption of a system for providing materials for General Meetings of Shareholders in electronic format, we propose that the Articles of Incorporation of the Company be amended as follows.
  - (i) The proposed amendment to Article 15, Paragraph 1 stipulates that the measures for providing information in electronic format will be implemented with regard to the information contained in reference documents for General Meetings of Shareholders.
  - (ii) The proposed amendment to Article 15, Paragraph 2 establishes provisions to limit the scope of matters to be described in paper-based documents to be provided to those shareholders who have requested the delivery thereof.
  - (iii) As the provisions on the disclosure of reference documents for General Meetings of Shareholders through the Internet (current Article 15 of the Articles of Incorporation) are no longer necessary, they will be deleted.
  - (iv) In accordance with the above-mentioned new additions and deletion, we propose to establish supplementary provisions regarding the effective dates, etc.
- (3) In order to prepare for an event in which the number of Directors who are Audit and Supervisory Committee members falls below the quota set forth in laws and ordinances, we propose to establish a provision that stipulates that the appointment of Directors who are substitute members of the Audit and Supervisory Committee be effective for two years.

## 2. Details of amendments

The details of the proposed amendments are as follows.

(The underlined sections indicate amended content.)

| Current Articles of Incorporation                                                                                                                                                                                                                                                                                                                                                                                   | Proposed amendments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Objective<br>Article 2 (Text omitted)<br>1. to 8. (Text omitted)<br>(New)<br><u>9.</u> (Text omitted)                                                                                                                                                                                                                                                                                                               | Objective<br>Article 2 (No change)<br>1. to 8. (No change)<br><u>9. General contract work</u><br><u>10.</u> (No change)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| (Disclosure of reference materials for General Meetings of Shareholders through the Internet)                                                                                                                                                                                                                                                                                                                       | (Deleted)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Article 15<br><u>When convoking a General Meeting of Shareholders, the Company may disclose information related to matters required to be recorded or presented in the reference documents of the General Meeting of Shareholders, business reports, financial documents and consolidated financial statements by using the Internet, in accordance with the Ordinance of the Ministry of Justice.</u><br><br>(New) | (Measures for providing information in electronic format)<br>Article 15<br><u>1 When convoking a General Meeting of Shareholders, the Company shall take measures for providing the information that is contained the reference documents for the General Meeting of Shareholders in electronic format.</u><br><u>2 Of the items to be provided in electronic format, the Company may choose not to present all or part of those items stipulated by the Ordinance of the Ministry of Justice in paper-based documents to be delivered to shareholders who have requested the delivery of said documents by the voting record date.</u> |

| Current Articles of Incorporation                                                                                                                                                                                                            | Proposed amendments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(Terms of office)<br/>Article 22 (Text omitted)<br/>2 to 3 (Text omitted)<br/>(New)</p> <p>Supplementary Provisions<br/>(Transitional measures regarding release from liability of Auditors)<br/>1 to 2 (Text omitted)<br/><br/>(New)</p> | <p>(Terms of office)<br/>Article 22 (No change)<br/>2 to 3 (No change)<br/><u>4 A resolution to appoint a substitute Audit and Supervisory Committee member pursuant to the provisions of Article 329, Paragraph 3 of the Companies Act shall remain effective until the commencement of the General Meeting of Shareholders pertaining to the final fiscal year of the fiscal years ending within two years subsequent to the election.</u></p> <p>Supplementary Provisions<br/>(Transitional measures regarding release from liability of Auditors)<br/>1 to 2 (No change)</p> <p><u>(Transitional measures for providing materials for General Meetings of Shareholders in electronic format)</u><br/> <u>1 The deletion of the current Article 15 of the Articles of Incorporation (Disclosure of reference documents for General Meetings of Shareholders through the Internet) and the addition of the amended Article 15 (Measures for providing information in electronic format) shall come into effect on September 1, 2022 (hereinafter referred to as the "Effective Date"), which is the date of enforcement of the revised provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the "Act Partially Amending the Companies Act" (Act No. 70 of 2019).</u><br/> <u>2 Notwithstanding the provisions of the preceding paragraph, the current Article 15 of the Articles of Incorporation (Disclosure of reference documents for General Meetings of Shareholders through the Internet) will remain in effect for any General Meeting of Shareholders to be held on a day that falls in a period within 6 months of the Effective Date.</u><br/> <u>3 This Supplementary Provision (Transitional measures for providing materials for General Meetings of Shareholders in electronic format) shall be deleted after a lapse of six months from the Effective Date, or after a lapse of three months from the date of the General Meeting of Shareholders referred to in the preceding paragraph, whichever is the later.</u></p> |

**Item No. 3:** Election of five Directors who are not members of the Audit and Supervisory Committee

The terms of office of all five current Directors who are not members of the Audit and Supervisory Committee, are to expire at the conclusion of this Ordinary General Meeting of Shareholders (“the Meeting”).

Therefore, the Company hereby proposes to appoint five Directors for a new term.

The Audit and Supervisory Committee of the Company has determined that all candidates are well qualified for the position.

The candidates are as follows:

| Candidate No. | Name<br>(Date of birth)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Career summary, positions and areas of responsibility held in the Company (Material concurrent position(s) currently held outside the Company) | No. of the Company's shares owned |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| 1             | SEKIGUCHI<br>Sozo<br>(Born December 31, 1964)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | June 1983      Joined MEITEC CORPORATION                                                                                                       | 7,216<br><br>shares               |
|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | April 1988      Joined Osaka Technology Center Co., Ltd.<br>(previous name of the Company)                                                     |                                   |
|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | March 1993      The Company: Director; Head of the<br>Business Planning Dept.                                                                  |                                   |
|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | February 1998      The Company: Director; Vice President                                                                                       |                                   |
|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | February 2002      The Company: President and CEO<br>(current)                                                                                 |                                   |
|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | February 2012      The Company: Head of the Hyper Artnet<br>Business Division                                                                  |                                   |
|               | (Reasons for nominating him as candidate for Director)<br>Mr. SEKIGUCHI Sozo has served as President and CEO of the Company since 2002. He has demonstrated strong leadership in corporate and business management by drawing on a wealth of experience he has gained through his previously-held positions as Head of the Business Planning Dept., Head of the Business Division, and Executive Vice President.<br>He has been renominated as a candidate for Director, as he has a wealth of experience and deep insight regarding the Company's business, and as he is expected to contribute to the further growth of the Company. |                                                                                                                                                |                                   |

| Candidate No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Name<br>(Date of birth)                    | Career summary, positions and areas of responsibility held in the Company (Material concurrent position(s) currently held outside the Company) |                                                                               | No. of the Company's shares owned |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------|
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | HARIGAE Tomonori<br>(Born May 24, 1954)    | April 1978                                                                                                                                     | Joined Toyobo Interior Co., Ltd.                                              | 282,023 shares                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | March 1982                                                                                                                                     | Joined Osaka Technology Center Co., Ltd. (previous name of the Company)       |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | March 1990                                                                                                                                     | The Company: Head of the Kanto Business Dept.                                 |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | March 1991                                                                                                                                     | The Company: Director                                                         |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | March 1993                                                                                                                                     | The Company: Managing Director; Head of the General Affairs Dept.             |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2007                                                                                                                                  | The Company: Managing Director; Head of the Management Division               |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | May 2008                                                                                                                                       | The Company: Director; Head of the Management Division (current)              |                                   |
| (Reasons for nominating him as candidate for Director)<br>Mr. HARIGAE Tomonori has leveraged his wealth of knowledge and experience in general affairs, human resources, and accounting to head the Management Division of the Company for many years as a member of the management team.<br>He has been renominated as a candidate for Director, as he is well versed in the Company's day-to-day operations and has a wealth of management experience, and as he is expected to contribute to the further growth of the Company. |                                            |                                                                                                                                                |                                                                               |                                   |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | OKUSAKA Kazuya<br>(Born September 3, 1955) | April 1978                                                                                                                                     | Joined Osaka Technology Center Co., Ltd. (previous name of the Company)       | 279,776 shares                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | October 1993                                                                                                                                   | The Company: Head of the No.3 Business Dept.                                  |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2002                                                                                                                                  | The Company: Standing auditor                                                 |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | April 2004                                                                                                                                     | The Company: Managing Director; Head of the Human Resources Business Dept.    |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2007                                                                                                                                  | The Company: Managing Director; Head of the Human Resources Business Division |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | April 2007                                                                                                                                     | The Company: Managing Director; Head of the Business Management Division      |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | March 2009                                                                                                                                     | The Company: Managing Director; Head of the Technology Development Division   |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2010                                                                                                                                  | The Company: Managing Director; Head of the Business Promotion Division       |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2011                                                                                                                                  | The Company: Managing Director; Head of the Engineer Business Division        |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | April 2011                                                                                                                                     | The Company: Director; Head of the Engineer Business Division                 |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2013                                                                                                                                  | The Company: Director; Head of the Human Resources Business Division          |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            | February 2016                                                                                                                                  | The Company: Director; Head of the Engineer Business Division (current)       |                                   |
| (Reasons for nominating him as candidate for Director)<br>After joining the Company as an engineer, Mr. OKUSAKA Kazuya served as a standing auditor and has played a leading role in talent development and business development for many years as a member of the management team.<br>He has been renominated as a candidate for Director, as he is well versed in the Company's day-to-day operations and has a wealth of management experience, and as he is expected to contribute to the further growth of the Company.       |                                            |                                                                                                                                                |                                                                               |                                   |



| Candidate No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Name<br>(Date of birth)                 | Career summary, positions and areas of responsibility held in the Company (Material concurrent position(s) currently held outside the Company) |                                                                                                                                      | No. of the Company's shares owned |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--|
| 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | SATO So<br>(Born August 14, 1973)       | April 1998                                                                                                                                     | Joined Nihon Bayer Agrochem (now Bayer Crop Science)                                                                                 | 6,226 shares                      |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | June 2004                                                                                                                                      | Joined Aon Affinity                                                                                                                  |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | April 2007                                                                                                                                     | Joined the Company                                                                                                                   |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         |                                                                                                                                                | The Company: Head of the Corporate Planning and Strategy Division                                                                    |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2013                                                                                                                                  | The Company: Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division                     |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | April 2015                                                                                                                                     | The Company: Director; Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division           |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2016                                                                                                                                  | The Company: Director; Head of the Corporate Planning and Strategy Division                                                          |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2022                                                                                                                                  | The Company: Director; Head of the Corporate Planning and Strategy Division; Head of the Engineer Agency Business Division (current) |                                   |  |
| (Reasons for nominating him as candidate for Director)<br>Mr. SATO So had a career in chemical manufacturing and finance prior to joining the Company. At the Company, he has headed the Corporate Planning and Strategy Division and played a key role in corporate planning as a member of the management team.<br>He has been renominated as a candidate for Director, as he is expected to continue to play a key role in various aspects of corporate and business management, and to contribute to the further growth of the Company. |                                         |                                                                                                                                                |                                                                                                                                      |                                   |  |
| 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | EGAMI Yoji<br>(Born September 26, 1958) | April 1981                                                                                                                                     | Joined Osaka Technology Center Co., Ltd. (previous name of the Company)                                                              | 129,839 shares                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2007                                                                                                                                  | The Company: Head of the Talent Development Dept. of the Human Resources Division                                                    |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | April 2007                                                                                                                                     | The Company: Director; Head of the Human Resources Division                                                                          |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2010                                                                                                                                  | The Company: Director; Head of the Business Promotion Division                                                                       |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2011                                                                                                                                  | The Company: Director; Head of the Human Resources Business Division                                                                 |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2013                                                                                                                                  | The Company: Director; Head of the Engineer Business Division                                                                        |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2016                                                                                                                                  | The Company: Director; Head of the Human Resources Business Division                                                                 |                                   |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         | February 2022                                                                                                                                  | The Company: Director; Head of the Technology Development Division (current)                                                         |                                   |  |
| (Reasons for nominating him as candidate for Director)<br>After joining the Company as an engineer, Mr. EGAMI Yoji has played a leading role in talent development and recruiting for many years as a member of the management team.<br>He has been renominated as a candidate for Director, as he is well versed in the Company's day-to-day operations and has a wealth of management experience, and as he is expected to contribute to the further growth of the Company.                                                               |                                         |                                                                                                                                                |                                                                                                                                      |                                   |  |

(Notes)

1. The Company has no conflicts of interest with any of these candidates.

2. The Company has a directors and officers liability insurance (D&O Insurance) policy in place, the details of which are outlined below, and which is scheduled to be renewed in May 2021. All the candidates referred to in this item are already insured under the said insurance policy and will continue to be insured after their appointments.

- Ratio of insurance premiums borne by the insured party

The premiums shall be fully paid by the Company, including the premiums for special clauses. Therefore, no portion of the premiums shall be borne by the insured party.

- Outline of insurable contingencies subject to coverage

This policy, together with the special clauses, will cover damages that may arise when an insured Director assumes liabilities as a result of the execution of his duties or due to claims brought against him for being held responsible for the consequences of his action. However, the policy has an exclusion that the insurance company contends precludes coverage, such as liabilities incurred as a result of an unlawful act that an insured individual willfully and knowingly commits.

3. The number of the Company's shares owned by candidates includes equities held by the Artner Officer Stocks Society.

**Item No. 4:** Election of one Director who is a substitute member of the Audit and Supervisory Committee

In order to prepare for a case in which the number of Directors who are Audit and Supervisory Committee members falls below the quota stipulated by laws and ordinances, we propose to appoint one Director who is a substitute member of the Audit and Supervisory Committee.

In addition, Mr. NOMURA Ryuichiro, a candidate for a Director who is a substitute member of the Audit and Supervisory Committee, will take office upon the condition that the number of Directors who are Audit and Supervisory Committee members falls below the quota stipulated by laws and ordinances. Further, said appointment will be effective until the commencement of the General Meeting of Shareholders pertaining to the final fiscal year of the fiscal years ending within two years subsequent to the election, subject to the approval of Proposal No. 2 "Partial Amendments to the Articles of Incorporation". However, said appointment may be canceled by a resolution of the Board of Directors, with the consent of the Audit and Supervisory Committee, provided this is done before the Director who is an Audit and Supervisory Committee member assumes office.

The Audit and Supervisory Committee has granted its consent to this item.

The candidates to be Directors who are substitute members of the Audit and Supervisory Committee are as follows:

| Name<br>(Date of birth)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Career summary(Material concurrent position(s)<br>currently held outside the Company)                                                                                                  | No. of the<br>Company's<br>shares owned |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| NOMURA<br>Ryuichiro<br>(Born February<br>18, 1956)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | April 1978      Joined Yasuda Shintaku Ginko (now Mizuho Trust & Banking Co., Ltd.)                                                                                                    | 0<br>shares                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | May 1999      Appointed General Manager of Kinshicho branch                                                                                                                            |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | April 2004      Appointed General Manager of Securities Agency Sales Department                                                                                                        |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | October 2005      Appointed General Manager of Solution Sales Department                                                                                                               |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | April 2007      Appointed Executive Officer, General Manager of Solution Sales Department                                                                                              |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | April 2008      Appointed Senior Managing Executive Officer, Mizuho Realty Co., Ltd.                                                                                                   |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | September 2016      Appointed Vice President, Taiyo House Co., Ltd.                                                                                                                    |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | March 2020      Appointed Advisor, Nihon Unist Inc.                                                                                                                                    |                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | August 2020      Appointed Executive Director, Marubeni Private Reit Inc. (current)<br>[Material concurrent position currently held]<br>Executive Director, Marubeni Private Reit Inc. |                                         |
| (Reasons for nominating him as a candidate for Outside Director who is a substitute member of the Audit and Supervisory Committee, and an outline of expected role to play)<br>Mr. NOMURA Ryuichiro has a wealth of experience and extensive insight from many years in key positions at financial institutions and in corporate management, and has been selected as a candidate Outside Director who is a substitute member of the Audit and Supervisory Committee because it is anticipated that he will bring comprehensive judgment based on his unique career, as well as neutral and objective supervision. |                                                                                                                                                                                        |                                         |

(Notes)

1. The Company has no conflicts of interest with any of these candidates.
2. Mr. NOMURA Ryuichiro is a candidate for substitute Outside Director.
3. Mr. NOMURA Ryuichiro meets the requirements for an independent officer in accordance with the stipulations of the Tokyo Stock Exchange, and should he be appointed as a Director who is a member of the Audit and Supervisory Committee, he will be reported to the Exchange as an independent officer.
4. Should Mr. NOMURA Ryuichiro be appointed as a Director who is a member of the Audit and Supervisory Committee, the Company intends to conclude an agreement that will limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the Act. The limit on liability for damages under said agreement is set at the amount provided for by laws and regulations.
5. The Company has a directors and officers liability insurance (D&O Insurance) policy in place, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and the policy is scheduled to be renewed in May 2022. Should Mr. NOMURA Ryuichiro be appointed as a Director who is a member of the Audit and Supervisory Committee, he will be included among the insured under said insurance policy.
  - Ratio of insurance premiums borne by the insured party  
The premiums shall be fully paid by the Company, including the premiums for special clauses. Therefore, no portion of the premiums shall be borne by the insured party.
  - Outline of insurable contingencies subject to coverage  
This policy, together with the special clauses, will cover damages that may arise when an insured Director assumes liabilities as a result of the execution of his duties or due to claims brought against him for being held responsible for the consequences of his action. However, the policy has an exclusion that the insurance company contends precludes coverage, such as liabilities incurred as a result of an unlawful act that an insured individual willfully and knowingly commits.