

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: 3994

February 3, 2023

To our shareholders:

Yosuke Tsuji
Representative Director, President and CEO
Money Forward, Inc.
21F, msb Tamachi Station Tower S,
3-1-21 Shibaura, Minato-ku, Tokyo

Convening a General Meeting of Shareholders without a Designated Location
(Virtual-only General Meeting of Shareholders)

We have adopted the method of a virtual-only General Meeting of Shareholders, which means the General Meeting of Shareholders will be held only via the internet.

We thank you for your understanding that we will not provide a venue for shareholders to attend in person.

Notice of the 11th Annual General Meeting of Shareholders

We are pleased to announce the 11th Annual General Meeting of Shareholders of Money Forward, Inc. (the “Company”), which will be held as indicated below.

The General Meeting of Shareholders shall be held as a General Meeting of Shareholders without a designated location (“A virtual-only General Meeting of Shareholders”) in accordance with Article 66, paragraph (1) of the Act on Strengthening Industrial Competitiveness and Article 15, paragraph (2) of the Company’s Articles of Incorporation.

We will not provide a venue for in-person attendance at the General Meeting of Shareholders, so please attend via the website specified by the Company. Please refer to “Operational Arrangements for a Virtual-only General Meeting of Shareholders,” starting on page 4, for details such as the method of attendance and exercise of voting rights.

For shareholders who are unable to attend on the day of the meeting, we ask you to exercise your voting rights in writing or via the internet by 6:30 p.m. (JST) on Tuesday, February 21, 2023 after reviewing the Reference Documents for General Meeting of Shareholders, starting from page 7.

1 Date and Time:	Wednesday, February 22, 2023, at 10:00 a.m. (JST) * Login to be available from about 9:30 a.m. (JST) * In the event of communication failures, etc., the General Meeting of Shareholders shall be reconvened from 11:30 a.m. (JST) on Monday, February 27, 2023, being the reserve day.
2 Venue:	Holding a General Meeting of Shareholders without a designated location (A virtual-only General Meeting of Shareholders). Please refer to “Operational Arrangements for a Virtual-only General Meeting of Shareholders,” starting on page 4, for details.
3 Purpose of the Meeting	Matters to be reported: 1. The Business Report and the Consolidated Financial Statements for the 11th fiscal year (from December 1, 2021 to November 30, 2022), and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board 2. The Non-consolidated Financial Statements for the 11th fiscal year (from December 1, 2021 to November 30, 2022) Matters to be resolved: Proposal No. 1 Reduction of Legal Capital Surplus and Appropriation of Surplus Proposal No. 2 Partial Amendments to the Articles of Incorporation Proposal No. 3 Election of 9 Directors Proposal No. 4 Election of 1 Audit & Supervisory Board Member

- ◎ In the event of extreme obstacles to the proceedings of the General Meeting of Shareholders due to communication failures, etc., the chairperson may decide to postpone or resume the General Meeting of Shareholders, thus a resolution to that effect shall be proposed at the beginning of the General Meeting of Shareholders. In the event that the chairperson decides to postpone or resume based on such resolution, the postponed or resumed General Meeting of Shareholders shall be held from 11:30 a.m. (JST) on Monday, February 27, 2023, being the reserve day. In this event, a notice will be quickly posted on the Company's website (<https://corp.moneyforward.com/>) (available in Japanese only).
- ◎ The receipt and transmission of information concerning the proceedings of the General Meeting of Shareholders shall be via the internet.
- ◎ If shareholders who have exercised their voting rights in advance by post or via the internet attend the General Meeting of Shareholders and exercise their voting rights in duplicate, the details exercised at the General Meeting of Shareholders shall be treated as valid. If unable to exercise voting rights at the General Meeting of Shareholders, the details exercised in advance by post or via the internet shall be treated as valid.
- ◎ Shareholders who would like to attend through a proxy are requested to appoint one other shareholder who holds voting rights in accordance with the provisions of laws and regulations and the Articles of Incorporation. Please refer to "Operational Arrangements for a Virtual-only General Meeting of Shareholders," starting on page 4, for details of the procedure.
- ◎ Among the documents to be provided to this Notice, the items below (available in Japanese only) are posted on the Company's website (<https://corp.moneyforward.com/>) pursuant to laws and regulations, as well as Article 20 of the Company's Articles of Incorporation, and are accordingly not included with this Notice.
 - (1) "Share Acquisition Rights" and "System to Ensure the Appropriateness of Business Operations and the Status of Its Implementation" of the Business Report
 - (2) "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
 - (3) "Statements of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

Consequently, the documents attached to this Notice consist of part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board members and the Independent Auditor in preparing their audit reports.
- ◎ If any revisions are made to the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, revised contents will be presented on the above Company's website (available in Japanese only).
- ◎ With respect to the Notice of the Resolutions of the General Meeting of Shareholders, the contents will be presented on the Company's website in English (<https://corp.moneyforward.com/en/>).

Operational Arrangements for a Virtual-only General Meeting of Shareholders

The General Meeting of Shareholders shall be held as a General Meeting of Shareholders without a designated location, a so-called “Virtual-only General Meeting of Shareholders.”

We thank you for your understanding that we will not provide a venue for shareholders to attend in person.

1. Method of attendance on the day of the meeting

(1) Date and Time:

Wednesday, February 22, 2023, at 10:00 a.m. (JST)

* Login to be available from about 9:30 a.m. (JST)

* In the event that the chairperson decides to postpone or resume due to communication failures, etc., the General Meeting of Shareholders shall be held from 11:30 a.m. (JST) on Monday, February 27, 2023, being the reserve day.

(2) Access method

Access destination:	https://web.sharely.app/login/moneyforward-11	
---------------------	-----------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

Access the above website specified by the Company, and login by following the instructions on the screen and entering the “Shareholder Number (an 8 digit number listed in the login ID field of the voting form),” the “Postal code” and the “Number of shares held” listed in the voting form.

* Please refer to the FAQ on the URL below if you have any concerns about login.

<https://sharely.zendesk.com/hc/ja/articles/360051199914> (available in Japanese only)

(3) Method for asking questions on the day of the meeting

After logging in, please send your questions concerning the purpose of the General Meeting of Shareholders from the “Questions” button.

Submission period: Questions will be accepted from the starting time of the General Meeting of Shareholders until the time indicated by the chairperson.

* Each person may ask up to about 3 questions, with each question limited to 150 characters.

* Depending on the progress of the General Meeting of Shareholders and contents of the questions, it may not be possible to respond to all questions. Thank you in advance for your understanding.

(4) Method for submitting a motion

After logging in, follow the instructions of the chairperson to select the type of motion from the “motion” button and send after entering the details of the motion.

(5) Method for voting on the day of the meeting

After logging in, follow the instructions of the chairperson to enter your approval or rejection with the “Resolution” button.

If shareholders have exercised their voting rights in writing (by post) or via the internet in advance and attend in the meeting on the day,

- (i) when their exercise of voting rights on the day is confirmed, their previous votes will be invalidated.
- (ii) if their exercise of voting rights is not able to be confirmed on the day, the previous votes will remain valid.

2. Method of asking questions in advance

Questions in advance shall be accepted during the submission period below. Follow the access method above, and after logging in, send your questions concerning the purpose of the General Meeting of Shareholders from the “Questions” button.

Submission period: Saturday, February 4, 2023, to 6:30 p.m. (JST), Friday, February 17, 2023

* Each person may ask up to 3 questions, with each question limited to 150 characters.

* In the event that it is not possible to provide an explanation for all questions, an explanation of matters judged by the chairperson to be of substantial interest to shareholders shall be provided on the day of the General Meeting of Shareholders. Thank you in advance for your understanding.

3. Method of attendance by proxy

Voting rights may be exercised by one other shareholder who holds voting rights as a proxy.

Shareholders wishing to appoint a proxy need to submit the proxy form to the Company prior to the General Meeting of Shareholders. Please send the proxy form to the specified section below after contacting the inquiry desk, “Inquiries concerning the method of attendance by a proxy” listed in “6. The 11th Annual General Meeting of Shareholders List of Inquiry Desks by inquiry type” with regard to the proxy form and other necessary information.

<Submission destination of the proxy forms>

Money Forward, Inc. Attention: Secretariat, General Meeting of Shareholders
21F, msb Tamachi Station Tower S,
3-1-21 Shibaura, Minato-ku, Tokyo, 108-0023, Japan

<Deadline for submissions>

6:30 p.m. (JST) on Tuesday, February 21, 2023

4. Notes concerning attendance at the General Meeting of Shareholders

- The General Meeting of Shareholders will be conducted by using systems equipped with measures to deal with communication failures. In addition, in the event that communication failures occur on the day of the General Meeting of Shareholders, we will operate on the premise that immediate restoration is possible.
- We ask that shareholders wishing to exercise their voting rights who face impediments in using the internet, exercise their voting rights in advance in writing by returning the voting form at hand.
- We will make every effort to ensure stable transmission on the day of the event, however, due to the influence of the communication environment, there is a possibility that communication failures such as disruptions or temporary interruptions in the video and audio may occur. We thank you for your understanding that we will not be able to provide support in the event of poor connections, delays or audio problems caused by your own communication environment.
- All costs such as connection fees and communication charges related to the attendance at a virtual-only General Meeting of Shareholders shall be borne by the individual shareholder.
- Please refrain from providing video and audio data to a third party, screening, transferring and duplicating such data publicly, conveying the login method to a third party and photographing scenes from the online distribution.
- In the event that a shareholder contravenes the intent of the General Meeting of Shareholders including repeatedly sending similar questions, repeatedly sending text data with large volumes of characters, and continuing to send questions that include content that is inappropriate for the purpose of the General Meeting of Shareholders, and the matters are judged by the chairperson to impede the progress of the proceedings and the stable operation of systems for the virtual-only General Meeting of Shareholders, the communication with such shareholder may be forcefully disconnected at the direction of the chairperson or by the Secretariat if so instructed by the chairperson.
- The language for the General Meeting of Shareholders will be Japanese only.
- Any personal information that is obtained shall not be used for purposes other than the business concerning the General Meeting of Shareholders.

- There may be changes to the operational arrangements for the General Meeting of Shareholders depending on future circumstances. In such case, notice will be posted on the Company's website (<https://corp.moneyforward.com/>) (available in Japanese only).

5. On demand distribution

- For those shareholders who are unable to attend the meeting, we plan to provide an on-demand webcast of the meeting on our website (<https://corp.moneyforward.com/ir/stock/>) later (available in Japanese only).
- On-demand distribution will use the video and audio of the General Meeting of Shareholders, with some parts such as the Q&A session with shareholders deleted or edited.

6. The 11th Annual General Meeting of Shareholders List of Inquiry Desks by inquiry type

Details of inquiry	Inquiry Desk	Contact
Inquiries concerning the exercise of voting rights	Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Division Help Desk	Toll-free number: 0120-173-027 Operating hours Monday to Friday (excluding public holidays) 9:00 a.m. to 9:00 p.m. (JST) toll free
Inquiries concerning attendance at the General Meeting of Shareholders	Coincheck, Inc. Sharely Business Department	03-6416-5286 Operating hours Monday to Friday (excluding public holidays) 10:00 a.m. to 5:00 p.m. (JST)
Inquiries concerning questions in advance and on the day of the meeting		
Inquiries concerning the method for voting if attending on the day of the meeting		
Inquiries concerning the method of attendance by a proxy		

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Reduction of Legal Capital Surplus and Appropriation of Surplus

For the purpose of covering the deficit of retained earnings brought forward to restore the financial position, the Company proposes the reduction of legal capital surplus and appropriation of surplus.

Specifically, the Company requests approval for reducing the amount of legal capital surplus in accordance with the provisions of Article 448, paragraph (1) of the Companies Act, transferring such amounts to other capital surplus, and then transferring increased other capital surplus to retained earnings brought forward to cover the deficit of retained earnings brought forward pursuant to Article 452 of the Companies Act.

Note that this proposal is solely for the reduction of legal capital surplus without changing the total number of issued shares. Accordingly, there will be no impact on the number of shares held by individual shareholders.

In addition, there will be no change in the amount of net assets per share since there is no change in the amount of net assets of the Company.

1. Outline of reduction of legal capital surplus

- (1) Amount of legal capital surplus to be reduced
8,620,659,848 yen
- (2) Method of reduction of legal capital surplus
The full amount of the reduction in legal capital surplus of 8,620,659,848 yen is to be transferred to the other capital surplus for the purpose of allocating it to compensate for losses.
- (3) Effective date of reduction of legal capital surplus
February 22, 2023

2. Outline of appropriation of surplus

Under the provisions of Article 452 of the Companies Act, the amount of the other capital surplus, which will come into existence on the condition that the reduction of legal capital surplus mentioned in “1.” above comes into effect, shall be decreased, and the amount of this decrease shall be transferred to retained earnings brought forward to compensate for losses.

- (1) Item of surplus to be decreased and amount of decrease
Other capital surplus: 8,620,659,848 yen
- (2) Item of surplus to be increased and amount of increase
Retained earnings brought forward: 8,620,659,848 yen
- (3) Effective date of appropriation of surplus
February 22, 2023

Proposal No. 3 Election of 9 Directors



The terms of office of all 10 Directors will expire at the conclusion of this Annual General Meeting of Shareholders.



Accordingly, the Company proposes the election of 9 Directors.


The Company has, for the purpose of strengthening the independence, objectivity and accountability of the Board of Directors function and to further enhance the Group's corporate governance structure, established the Nomination and Compensation Committee. More than half of the members of the Committee will be external Directors. All of the candidates for Director have been determined at the Board of Directors based on the "Policy on the Composition of the Board of Directors" and other rules, after deliberation by the Nomination and Compensation Committee.

The candidates for Director are as follows:


Candidate No.	Name	Attribute of candidate for Director	Current position and responsibility in the Company	Attendance at Board of Directors meetings	Number of year(s) in office
1	Yosuke Tsuji	Reelection	Representative Director, President and CEO Chair of Nomination and Compensation Committee	100% (14/14)	10 years 3 months
2	Naoya Kanesaka	Reelection	Director, Executive Officer and CFO	100% (14/14)	6 years
3	Takuya Nakade	Reelection	Director, Executive Officer and CTO	100% (14/14)	5 years
4	Masanobu Takeda	Reelection	Director, Executive Officer, Money Forward Business Company COO	100% (14/14)	4 years
5	Masaaki Tanaka	Reelection External	Independent External Director Nomination and Compensation Committee Member	100% (14/14)	5 years
6	Akira Kurabayashi	Reelection External	Independent External Director	100% (14/14)	5 years
7	Etsuko Okajima	Reelection External	Independent External Director Nomination and Compensation Committee Member	100% (14/14)	4 years
8	Hiroaki Yasutake	Reelection External	Independent External Director	100% (10/10)	1 year
9	Gen Miyazawa	Reelection External	Independent External Director	100% (10/10)	1 year


Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
1	 <p>Yosuke Tsuji (June 30, 1976)</p> <p>Reelection</p> <p>Number of the Company's shares owned: 7,136,365 Number of year(s) in office: 10 years and 3 months Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>Apr. 2001 Joined Sony Corporation (currently Sony Group Corporation)</p> <p>Jan. 2004 Seconded to Monex, Inc.</p> <p>July 2007 Transferred to Monex, Inc.</p> <p>Feb. 2012 General Manager of Marketing Department and Assistant to COO</p> <p>Nov. 2012 Representative Director, President and CEO, the Company (current position)</p> <p>Jan. 2018 Director, SLEEKR PTE. LTD. (Singapore) (current position)</p> <p>■ Reasons for nomination as candidate for Director ■</p> <p>Yosuke Tsuji has directed the Company's management since the Company's establishment, not only with the implementation of the Group's business expansion, but as a driving force in the venture startup industry through various achievements, such as the first listing on a stock exchange as a Fintech company in Japan. He has abundant experience and excellent knowledge of the Company's management in general. We propose his reelection for the further development of the Group.</p>
2	 <p>Naoya Kanesaka (November 27, 1984)</p> <p>Reelection</p> <p>Number of the Company's shares owned: 113,845 Number of year(s) in office: 6 years Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>Apr. 2007 Joined Goldman Sachs Japan Co., Ltd.</p> <p>Sept. 2012 Seconded to San Francisco Office, Goldman Sachs & Co. LLC</p> <p>Sept. 2014 Joined the Company</p> <p>Jan. 2015 General Manager of Corporate Planning Department</p> <p>June 2015 Executive Officer and CFO</p> <p>Feb. 2017 Director, Executive Officer and CFO</p> <p>Feb. 2019 Director and Executive Officer</p> <p>Sept. 2019 Representative Director, Money Forward Synca, Inc. (current position)</p> <p>May 2020 Representative Director, Money Forward Venture Partners, Inc. (current position)</p> <p>July 2020 Director, Executive Officer and CFO, the Company (current position)</p> <p>June 2021 External Director, Susten Capital Management Inc. (current position)</p> <p>July 2022 External Director, NOT A HOTEL Inc. (current position)</p> <p>■ Reasons for nomination as candidate for Director ■</p> <p>Naoya Kanesaka is well informed about global financial business. Since joining the Company, he has supervised the Company's capital policies, while driving the Company's business expansion such as through the implementation of business alliances and the launch of new businesses. He has experience and excellent knowledge of the Company's management in general. We propose his reelection for the further development of the Group.</p>


Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
3	 <p>Takuya Nakade (March 20, 1977)</p> <p style="text-align: center;">Reelection</p> <p>Number of the Company's shares owned: 18,945 Number of year(s) in office: 5 years Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>Apr. 2001 Joined Jupiter Shop Channel Co., Ltd. July 2007 Joined Simplex Technology, Inc. (currently Simplex Inc.) Feb. 2015 Joined the Company Dec. 2016 CTO Dec. 2017 Executive Officer and CTO Feb. 2018 Director, Executive Officer and CTO (current position) Sept. 2021 Representative Director, Money Forward Financial, Inc. (current position)</p> <hr/> <p>■Reasons for nomination as candidate for Director■</p> <p>Takuya Nakade has extensive experience in IT service development and consulting. Since joining the Company, he has been making concerted efforts to build the foundation of the Company's services. He has been driving the Company's business expansion such as by constructing the engineer-led development setup since assuming office as the Company's CTO. He has experience and excellent knowledge of the Company's management in general. We propose his reelection for the further development of the Group.</p>
4	 <p>Masanobu Takeda (July 17, 1976)</p> <p style="text-align: center;">Reelection</p> <p>Number of the Company's shares owned: 13,693 Number of year(s) in office: 4 years Attendance at Board of Directors meetings: 14/14 (100%)</p>	<p>July 2001 Joined Medix Inc. Dec. 2003 Joined Macromill, Inc. July 2007 Executive Officer Sept. 2008 Director Oct. 2012 Joined eole Inc. Nov. 2012 Director May 2016 Director and CSO, Klavis, Inc. Jan. 2017 Director and CFO (current position) Sept. 2017 Outside Director, ASMARQ Co., Ltd. Feb. 2018 Joined the Company June 2018 Corporate Officer Feb. 2019 Director, Executive Officer, Money Forward Business Company COO (current position)</p> <hr/> <p>■Reasons for nomination as candidate for Director■</p> <p>Since the early days of the Internet research business, Masanobu Takeda has played a leading role in a variety of fields such as sales, project planning and business management, and has thorough knowledge and experience in digital marketing research. Since joining the Company, he has been making concerted efforts to expand the Company's Business as the person in charge of the Money Forward Business domain, mainly on the Money Forward Cloud business. He has experience and excellent knowledge of the Company's management in general. We propose his reelection for the further development of the Group.</p>


Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
5	<div style="text-align: center;">  <p>Masaaki Tanaka (April 1, 1953)</p> <div style="display: flex; flex-direction: column; align-items: center; gap: 5px;"> <div style="background-color: black; color: white; padding: 2px 5px;">Reelection</div> <div style="background-color: gray; color: white; padding: 2px 5px;">External</div> <div style="background-color: gray; color: white; padding: 2px 5px;">Independent</div> </div> <p>Number of the Company's shares owned: 8,334</p> <p>Number of year(s) in office: 5 years</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p> </div>	<p>Apr. 1977 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>June 2004 Executive Officer, General Manager of Corporate Banking Group No. 3, The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>May 2007 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. President and Chief Executive Officer, Union Bank of California (currently MUFG Union Bank, N.A.)</p> <p>May 2011 Senior Managing Executive Officer, CEO for the Americas, The Bank of Tokyo-Mitsubishi UFJ, Ltd. Director, Morgan Stanley (concurrently served)</p> <p>June 2012 Director and Deputy President, Mitsubishi UFJ Financial Group, Inc.</p> <p>Jan. 2013 Vice Chair of Board of Councilors, U.S.-Japan Council (current position)</p> <p>June 2015 Senior Advisor, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Sept. 2016 Senior Global Advisor, PricewaterhouseCoopers International Limited</p> <p>Feb. 2017 Adviser, Financial Services Agency</p> <p>Feb. 2018 External Director, the Company (current position)</p> <p>Sept. 2018 President and Chief Executive Officer, Japan Investment Corporation</p> <p>Mar. 2019 Chairman, Nippon Paint Holdings Co., Ltd.</p> <p>Jan. 2020 Chairman, President & CEO</p> <p>Mar. 2020 Chairman, Representative Executive Officer, President & CEO</p> <p>Oct. 2021 Advisor to the Dean, Graduate School of Economics, The University of Tokyo (current position)</p>

		<p>■Reasons for nomination as candidate for external Director and overview of expected role■</p> <p>Masaaki Tanaka has been engaged in the management of Mitsubishi UFJ Financial Group, Inc. He has abundant experience and broad expertise in the finance field and in international business management, such as serving in top management positions including at large listed financial institutions in the U.S. and at large global companies. In addition, he has an in-depth knowledge of corporate governance, having participated in groups of the Financial Services Agency such as the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code. He provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an external Director, mainly on issues concerning global strategy, finance, and governance.</p> <p>We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore nominated him as a candidate for external Director. If he is elected, the Company expects him to be involved as a member of the Nomination and Compensation Committee from an objective and neutral standpoint in the selection of candidates for Director of the Company and the determination of remuneration, etc. for Directors.</p> <p>He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been five years. He is therefore well aware of the Company's actual status.</p> <p>■Supplementary explanation related to independence■</p> <p>He has experience of serving as an executive at MUFG Bank, Ltd., a major lender to the Company. However, more than six years have passed since he resigned all positions with the bank, during which time he has also not served at any of that bank's affiliates. Since retiring from the bank, he has served as Representative Executive Officer and President, etc. of Nippon Paint Holdings Co., Ltd. and has no influence on the bank's decision making. There are no concerns that he would attempt to induce profits from the bank, etc. In addition, the amount of borrowings from the aforementioned bank constitutes 30% of the Group's entire bank borrowings (24%, if borrowings of Biz Forward, Inc, a joint venture between the Company and the bank, are excluded). Borrowing from other major lenders are of a similar level at 28%/30% for Mizuho Bank, Ltd. and 28%/30% for Sumitomo Mitsui Banking Corporation. There are no concerns about there being an influence on the Company's decision-making.</p> <p>Therefore, we judge that he will appropriately execute his duties as an external Director from an independent standpoint.</p>
--	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
6	<div style="text-align: center;">  <p>Akira Kurabayashi (June 25, 1974)</p> <div style="display: flex; flex-direction: column; align-items: center; gap: 5px;"> <div style="border: 1px solid black; padding: 2px; background-color: #333; color: white;">Reelection</div> <div style="border: 1px solid black; padding: 2px; background-color: #ccc;">External</div> <div style="border: 1px solid black; padding: 2px; background-color: #ccc;">Independent</div> </div> <p>Number of the Company's shares owned: 167,548</p> <p>Number of year(s) in office: 5 years</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p> </div>	<p>Apr. 1997 Joined FUJITSU LIMITED</p> <p>Jan. 2003 Joined Mitsui & Co., Ltd.</p> <p>May 2009 Joined Globespan Capital Partners</p> <p>May 2011 Joined salesforce.com Co., Ltd.</p> <p>Mar. 2015 Joined Draper Nexus Ventures (currently DNX Ventures) Managing Director</p> <p>Feb. 2018 External Director, the Company (current position)</p> <p>Dec. 2020 Managing Partner & Head of Japan, DNX Ventures (current position)</p> <p>■Reasons for nomination as candidate for external Director and overview of expected role■</p> <p>Akira Kurabayashi has a wealth of investment experience in new businesses in Japan and overseas. Based on his extensive knowledge of SaaS companies as a top expert of investment in the SaaS area, he provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an external Director, mainly on issues concerning Business domains and M&As and investments.</p> <p>We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore nominated him as a candidate for external Director. He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been five years. He is therefore well aware of the Company's actual status.</p>

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
7	<div style="text-align: center;">  <p>Etsuko Okajima (May 16, 1966)</p> <div style="display: flex; justify-content: center; gap: 5px;"> <div style="border: 1px solid black; padding: 2px; background-color: #333; color: white; font-size: 8px;">Reelection</div> <div style="border: 1px solid black; padding: 2px; background-color: #ccc; font-size: 8px;">External</div> <div style="border: 1px solid black; padding: 2px; background-color: #eee; font-size: 8px;">Independent</div> </div> <p>Number of the Company's shares owned: 6,334</p> <p>Number of year(s) in office: 4 years</p> <p>Attendance at Board of Directors meetings: 14/14 (100%)</p> </div>	<p>Apr. 1989 Joined Mitsubishi Corporation</p> <p>Jan. 2001 Joined McKinsey & Company Inc.</p> <p>Mar. 2002 Joined GLOBIS CORPORATION</p> <p>July 2005 President, GLOBIS Management Bank, Inc.</p> <p>June 2007 Representative Director and President, ProNova Inc. (current position)</p> <p>June 2014 Outside Director, Astellas Pharma Inc.</p> <p>June 2014 External Director, MARUI GROUP CO., LTD. (current position)</p> <p>Nov. 2015 Outside Director, LANCERS, INC. (current position)</p> <p>Dec. 2015 Outside Director, SEPTENI HOLDINGS CO., LTD. (current position)</p> <p>Mar. 2016 Outside Director, Link and Motivation Inc.</p> <p>Mar. 2018 Outside Director, Yappli, Inc. (current position)</p> <p>Dec. 2018 Outside Director, euglena Co., Ltd.</p> <p>Feb. 2019 External Director, the Company (current position)</p> <p>Dec. 2020 Director (CHRO) (part-time), euglena Co., Ltd. (current position)</p> <p>■Reasons for nomination as candidate for external Director and overview of expected role■</p> <p>Etsuko Okajima has abundant experience, knowledge and broad expertise as a professional in human resources development, organizational management and other related fields. She provides supervision and valuable advice on the Company's management from an independent and objective standpoint as an external Director, mainly on issues concerning human resources development and sustainability.</p> <p>We expect her to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect her to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore nominated her as a candidate for external Director. If she is elected, the Company expects her to be involved as a member of the Nomination and Compensation Committee from an objective and neutral standpoint in the selection of candidates for Director of the Company and the determination of remuneration, etc. for Directors. She is currently an external Director of the Company, and at the conclusion of this meeting, her tenure will have been four years. She is therefore well aware of the Company's actual status.</p> <p>■Supplementary explanation related to concurrent positions■</p> <p>Her attendance rates for the Company's Board of Directors and the Nomination and Compensation Committee are 100%, proactively providing comments at both meetings. She contributes to the implementation of the Company's diversity and inclusion activities and enhanced disclosures concerning the utilization of human capital, etc. In addition, the size, corporate histories and industries of the companies in which she holds concurrent positions are different from the Company. We are receiving valuable advice in light of each company's management policies and response status, etc.</p> <p>Therefore, we judge that she will fully execute her duties as an external Director.</p>

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
8	<div style="text-align: center;">  <p>Hiroaki Yasutake (July 2, 1971)</p> <div style="display: flex; flex-direction: column; align-items: center; gap: 5px;"> <div style="background-color: black; color: white; padding: 2px 5px;">Reelection</div> <div style="background-color: #ccc; padding: 2px 5px;">External</div> <div style="background-color: #ccc; padding: 2px 5px;">Independent</div> </div> <p>Number of the Company's shares owned: —</p> <p>Number of year(s) in office: 1 year</p> <p>Attendance at Board of Directors meetings: 10/10 (100%)</p> </div>	<p>Apr. 1997 Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>Oct. 1998 Joined MDM, Inc. (currently Rakuten Group, Inc.)</p> <p>Apr. 2005 Executive Officer</p> <p>Mar. 2007 Director, Managing Executive Officer, Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p>June 2013 Outside Director, TECHMATRIX CORPORATION (current position)</p> <p>Jan. 2016 Representative Partner, Cardinal LLC (current position)</p> <p>Mar. 2016 External Director, ZMP Inc.</p> <p>July 2016 Director, Exponential Japan</p> <p>Sept. 2016 Junify Corporation Co-founder & CSO</p> <p>Sept. 2019 Director, Japan CTO Association (current position)</p> <p>Feb. 2022 External Director, the Company (current position)</p> <p>July 2022 Junify Corporation Co-founder & CEO (current position)</p> <p>■Reasons for nomination as candidate for external Director and overview of expected role■</p> <p>Hiroaki Yasutake has abundant knowledge and experience in the fields of technology and IT, having for many years served as head of engineering at Rakuten, Inc. (currently Rakuten Group, Inc.). He also has co-founded Junify Corporation in the U.S. and has abundant knowledge, experience and broad expertise in international business management. He provides supervision and valuable advice about the Company's management from an independent and objective standpoint as an external Director, mainly on matters in the fields of technology and IT, and international business management.</p> <p>We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore nominated him as a candidate for external Director. He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been one year.</p>

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
9	 <p>Gen Miyazawa (January 14, 1982)</p> <p>Reelection External Independent</p> <p>Number of the Company's shares owned: 525</p> <p>Number of year(s) in office: 1 year</p> <p>Attendance at Board of Directors meetings: 10/10 (100%)</p>	<p>May 2004 President, Sirius Technologies, Inc.</p> <p>Apr. 2011 Joined Yahoo Japan Corporation</p> <p>July 2014 Corporate Officer</p> <p>Apr. 2016 Senior Corporate Officer</p> <p>Apr. 2018 Managing Corporate Officer</p> <p>Oct. 2019 Director, Managing Corporate Officer</p> <p>Feb. 2022 External Director, the Company (current position)</p> <p>Apr. 2022 Director, EVP, Senior Managing Corporate Officer, Yahoo Japan Corporation (current position)</p> <p>Reasons for nomination as candidate for external Director and overview of expected role</p> <p>Gen Miyazawa has abundant experience, knowledge and broad expertise in internet-related markets, where the Group is developing its business. He founded an IT company and serves as Corporate Officer and Director of Yahoo Japan Corporation. He provides supervision and valuable advice about the Company's management, mainly on internet-related matters and in the corporate field, from an independent and objective standpoint as an external Director.</p> <p>We expect him to continue providing valuable advice and opinions on the Company's management at the Board of Directors from an objective, broad and high-level perspective. We also expect him to contribute to increasing transparency of the Board of Directors and strengthening its oversight function, and have therefore nominated him as a candidate for external Director.</p> <p>He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been one year.</p> <p>Furthermore, Yahoo Japan Corporation's parent company, Z Holdings Corporation, is operating business in the finance field, which is the business domain of the Group. However, there are currently no businesses in which Yahoo Japan Corporation and the Company compete directly, and we judge that there are no concerns of a competitive relationship. In deliberations at Board of Directors' meetings, if a competitive relationship or conflict of interest is recognized, we plan to exclude Mr. Miyazawa from the deliberation of that item.</p>

- Notes:
- Candidates for Director Masaaki Tanaka, Akira Kurabayashi, Etsuko Okajima, Hiroaki Yasutake and Gen Miyazawa are candidates for external Director.
 - There are no special interests between candidates for Director and the Company.
 - The candidate for Director Gen Miyazawa serves as Director, EVP, Senior Managing Corporate Officer of Yahoo Japan Corporation, with which the Company has a business relationship, such as advertising contract. However, the Company's transaction amount is negligible as it accounted for less than 0.1% of the consolidated revenue for the fiscal year ended March 31, 2022 of the Z Holdings group, which is the corporate group that includes Yahoo Japan Corporation. Consequently, this is considered to be ordinary business and there is no influence on the Company's decision-making.
 - The Articles of Incorporation stipulate that the Company may enter into agreements with Directors (excluding Directors who are Executive Officers, etc.) to limit the scope of their liability for damages to the Company. The Company has concluded such agreement with each of Masaaki Tanaka, Akira Kurabayashi, Etsuko Okajima, Hiroaki Yasutake and Gen Miyazawa. If the reelection of the five is approved, the Company plans to renew the aforementioned agreement with each of them. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
 - The Company has submitted notification to Tokyo Stock Exchange, Inc. that Masaaki Tanaka, Akira Kurabayashi, Etsuko Okajima, Hiroaki Yasutake and Gen Miyazawa have been appointed as independent officers as provided for by the aforementioned exchange. If the reelection of the five is approved, the Company plans to continue to designate them as independent officers.
 - The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company in which the Directors are insureds. The full amount of the insurance premiums is borne by the Company. Under the terms of the insurance contract, coverage is provided for losses that may arise from the insured's assumption of liability incurred in the course of the execution of duties, or claims pertaining to the pursuit of such liability (unless a coverage exclusion in the insurance contract is applied), and the contract is annually renewed. If each candidate is elected and assumes office as Director, the Company plans to include each of them as an insured in the insurance contract.
 - "Number of the Company's shares owned" indicates the number of shares held as of November 30, 2022.


8. The “Attendance at Board of Directors meetings” for Hiroaki Yasutake and Gen Miyazawa indicates their attendance of meetings held after their appointment.

Proposal No. 4 Election of 1 Audit & Supervisory Board Member

The Company proposes the election of one additional Audit & Supervisory Board member, with the aim of strengthening and enhancing the audit system.

The candidate for Audit & Supervisory Board member has been determined at the Board of Directors based on “Policy on the Nomination of the Candidates for Audit & Supervisory Board Members,” after deliberation by the Nomination and Compensation Committee. Prior consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

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

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company
 <p>Masami Hatakeyama (January 25, 1962)</p> <div style="text-align: center;"> <div style="background-color: black; color: white; padding: 2px; width: fit-content; margin: 0 auto;">New election</div> <div style="background-color: gray; color: black; padding: 2px; width: fit-content; margin: 2px auto;">External</div> <div style="background-color: gray; color: black; padding: 2px; width: fit-content; margin: 2px auto;">Independent</div> </div> <p>Number of the Company’s shares owned: —</p> <p>Number of year(s) in office: —</p> <p>Attendance at Audit & Supervisory Board meetings: —</p> <p>Attendance at Board of Directors meetings: —</p>	<p>Apr. 1984 Joined Japan Securities Dealers Association</p> <p>Nov. 1999 Joined DLJdirect SFG Securities, Inc. (currently Rakuten Securities, Inc.)</p> <p>July 2000 Executive Officer and Chief Compliance Officer</p> <p>Feb. 2006 Director, Executive Officer and Chief Compliance Officer</p> <p>Sept. 2006 Managing Director, Executive Officer Director, Rakuten Securities Holdings, Inc.</p> <p>Nov. 2006 Executive Officer, Rakuten, Inc. (currently Rakuten Group, Inc.)</p> <p>Apr. 2008 Joined SBI Holdings, Inc. Director, SBI Japannext Co., Ltd. (currently Japannext Co., Ltd.)</p> <p>June 2010 Director, SBI SECURITIES Co., Ltd.</p> <p>Feb. 2011 Executive Director and CEO, SBI Japannext Co., Ltd. (currently Japannext Co., Ltd.)</p> <p>June 2012 Director, SBI FXTRADE Co., Ltd.</p> <p>Mar. 2015 Director and Executive Vice President, Strategic Consulting Group, Co.,Ltd. Established Office W Vision LLC, Representative (current position)</p>
	<p>Reasons for nomination as candidate for external Audit & Supervisory Board member</p> <p>Masami Hatakeyama has long-standing business experience in the internet-finance field with Rakuten Securities, Inc. and at the SBI Group. He has abundant experience and knowledge in the Fintech field, an area of business being developed by the Group, and broad IT-related expertise. In addition, he has served for a long time as the Director in charge of compliance and risk management at Rakuten Securities, Inc., and has abundant practical knowledge concerning legal compliance and risk management.</p> <p>Furthermore, he serves as Executive Director and CEO at SBI Japannext Securities Co., Ltd. and has management experience at internet-finance companies as well as experience in business execution at companies with numerous group companies including Rakuten Group, Inc. and SBI Holdings, Inc. Drawing on his abundant knowledge and experience, he provides supervision of management in general and appropriate audits from an independent and objective standpoint.</p>

- Notes:
- Masami Hatakeyama is a candidate for external Audit & Supervisory Board member.
 - There are no special interests between the candidate for Audit & Supervisory Board member and the Company.
 - The Articles of Incorporation stipulate that the Company may enter into agreement with Audit & Supervisory Board members to limit the scope of their liability for damages to the Company. If the election of the new candidate for external Audit & Supervisory Board member Masami Hatakeyama is approved, we plan to conclude the agreement with him that limits his liability for damages. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
 - Masami Hatakeyama meets the requirements of independent officers as stipulated by Tokyo Stock Exchange, Inc. If the election of the candidate is approved, the Company plans to submit notification to the aforementioned exchange that he is an independent officer.

5. The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company in which the Audit & Supervisory Board members are insured. The full amount of the insurance premiums is borne by the Company. Under the terms of the insurance contract, coverage is provided for losses that may arise from the insured's assumption of liability incurred in the course of the execution of duties, or claims pertaining to the pursuit of such liability (unless a coverage exclusion in the insurance contract is applied), and the contract is annually renewed. If Masami Hatakeyama is elected and assumes office as Audit & Supervisory Board member, the Company plans to include him as an insured in the insurance contract.
6. "Number of the Company's shares owned" indicates the number of shares held as of November 30, 2022.

(Reference) Policy on the Composition of the Board of Directors

The Company has established the following policy on the composition of the Board of Directors by a resolution of the Board of Directors after deliberation by the voluntary Nomination and Compensation Committee.

- The number of members of the Board of Directors shall be determined in accordance with the Company’s Articles of Incorporation and shall be considered appropriate for the purpose of stimulating deliberations and ensuring accurate and prompt decision-making.
- The number of independent external Directors shall be large enough such that independent external Directors comprise the majority of the Board of Directors.
- In order to ensure the independence of external Directors, the total term of office for an independent external Director shall be approximately six years and he or she may be reelected up to a maximum term of office of eight years. In addition, if he or she is 72 years old at the end of the Annual General Meeting of Shareholders, he or she shall retire at the end of said General Meeting of Shareholders.
- In order to effectively fulfill the roles and responsibilities of the Board of Directors, the Board of Directors shall be composed of individuals with knowledge, experience, and abilities in “corporate management,” “global business,” “understanding of business and industry (SaaS and Fintech),” “investment and M&A,” “finance and accounting,” “human resources development,” “legal affairs, compliance and risk management,” “technology,” and “sustainability and ESG,” and shall also be composed of diverse Officers with regard to gender, internationality, age, and other factors.
- Independent external Directors shall include those with management experience at other companies.

(Reference) Policy on the Nomination of the Candidates for Audit & Supervisory Board Members

The Company has established the following policy on the nomination of the candidates for Audit & Supervisory Board members by a resolution of the Board of Directors after deliberation by the voluntary Nomination and Compensation Committee.

- Audit & Supervisory Board members shall have knowledge in finance, accounting, or legal affairs.
- One or more Audit & Supervisory Board members shall have sufficient expertise on finance and accounting.

(Reference)

Set forth below is a skill matrix of each candidate for Director and Audit & Supervisory Board member should they be elected at this General Meeting of Shareholders. This table does not represent all the skills possessed by the Directors and Audit & Supervisory Board members. For each officer, it maps four fields in which the Company expects each of them to contribute to discussion at the Board of Directors meetings, in light of each of their specific knowledge, experience, etc.

		Corporate management	Global business	Understanding of business and industry (SaaS・Fintech)	Investment/ M&A	Finance/ Accounting	Technology	Human resources development	Legal affairs/ Compliance/ Risk management	Sustainability/ ESG
Directors	Yosuke Tsuji	●	●	●	●					
	Naoya Kanesaka	●		●	●	●				
	Takuya Nakade	●					●	●		●
	Masanobu Takeda	●		●	●			●		
	Masaaki Tanaka	●	●			●			●	
	Akira Kurabayashi	●	●	●	●					
	Etsuko Okajima	●		●				●		●
	Hiroaki Yasutake	●	●		●		●			
	Gen Miyazawa	●			●			●		●
Audit & Supervisory Board members	Yozo Ueda	●		●		●			●	
	Katsuyuki Tanaka				●	●			●	●
	Hidetoshi Uriu	●	●		●	●				
	Masami Hatakeyama	●				●	●		●	

Skill	Definition	Reason for selection
Corporate management	Experience as a Representative Director or as a Director of a listed company.	Management experience is required for sustained growth and development during changes in the business environment.
Global business	An overseas posting or knowledge, experience and skill in supporting and managing an overseas business.	The Company has established overseas offices and invests in overseas companies, thus this skill is required to formulate the future growth strategy and execute appropriate management supervision.
Understanding of business and industry (SaaS · Fintech)	Knowledge and experience of the SaaS and Fintech industries.	The Company manages businesses in the SaaS and Fintech field, so this skill is required to formulate a sustained growth strategy and understand the business environment.
Investment/ M&A	Knowledge, experience and skills in investment and M&A.	The Company has enjoyed non-organic growth due to M&A and investment activities. This skill is required for sound investment activities without a drop in the pace of future growth.
Finance/ Accounting	Knowledge, experience and skills in finance and accounting.	Together with undertaking accurate financial reporting, the Company needs to continuously undertake investment activities (not limited to investment in M&A and business companies, but including investment in existing businesses) to build a solid financial base and for future sustained growth, thus how and when to procure funds for such purpose are important.
Technology	Knowledge, experience, and skills in technology.	The speed of innovation and change in customer needs in internet-related markets is rapid, thus the Company continuously needs to understand and respond to the latest technological trends and changes in the environment.
Human resources development	Knowledge, experience, and skills in human resources development.	To realize its Mission and Vision, the Company has focused on the development of its business and organization, together with the growth of its members. The Company believes that talent development is critical.
Legal affairs/ Compliance/ Risk management	Knowledge, experience and skills in legal affairs, compliance, and risk management.	In order to pursue sustainable enhancement of corporate value in the IT industry, where the operating environment is subject to constant change, the Company needs to implement a compliance structure based on sound ethics. The Company also requires appropriate risk management for sound growth.
Sustainability/ ESG	Knowledge, experience, and skills on non-financial matters that support corporate sustainability such as the environment, social and governance issues.	The Company aims to realize a society that is sustainable for individuals and businesses and to steadily increase corporate value by facing the universal and expansive financial issues and eliminating financial issues and concerns from the world.

(Reference) Independence Criteria for External Officers

The Company has established the following criteria concerning independence for electing external officers, elects external officers in accordance with the criteria, and submits notification that they have been designated as independent officers.

1. The Company determines that an external Director, an external Director candidate, an external Audit & Supervisory Board member, or an external Audit & Supervisory Board member candidate (referred to as the “external officer, etc.”) is sufficiently independent from the Company where such individual is deemed to satisfy the requirements set forth in each of the following items as a result of investigation within reasonable scope by the Company:
 - (1) The individual is not an executive (*1) of the Company or its subsidiaries (collectively referred to as the “Group”) and was not an executive within ten years from assuming office.
 - (2) The individual does not fall under persons listed below and has not fallen under as such for the previous three years.
 - (a) A party for whom the Group is a major client or supplier (*2), or an executive of such party
 - (b) A party who is a major client or supplier of the Group (*3), or an executive of such party
 - (c) A large shareholder who directly or indirectly holds 10% or more of the Company’s total voting rights, or an executive of such shareholder
 - (d) A consultant, an accounting specialist such as public accountant, a legal specialist such as a lawyer, who obtains large sum (*4) of money or other properties aside from executives’ compensation from the Group. If such party is an organization such as a corporation or an association, parties belonging to such organization are included.
 - (e) A person who executes operation of an organization that receives large sum (*4) of donation or aid from the Group
 - (f) A person who belongs to the audit corporation that performs the statutory audit for the Group
 - (3) The individual is not a spouse or family member within the second degree of kinship of a person falling under each of the items in (1) and (2) above.
2. An external officer, etc. shall strive to maintain independence prescribed in these criteria throughout his/her term and shall promptly notify the Company when he/she will not have the independence prescribed in these criteria.

Notes

*1. Executives refer to directors, executive officers, executive directors, and their equivalents, who execute the operation of corporations and other organizations.

*2. A party for whom the Group is a major client or supplier refers to a party that falls under one of the following:

- (a) A client or supplier group (refers to a party that belongs to the consolidated group that the direct client or supplier belongs to, the same shall apply hereafter) that provides products or services to the Group, whose transaction amount with the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated net sales or total income of the client or supplier group.
- (b) A client or supplier group to whom the Group is indebted, for whom the total debt owed by the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated total assets of such group as at the end of such business year.

*3. A party who is a major client or supplier of the Group refers to a party that falls under one of the following:

- (a) A client or supplier group that the Group provides products or services to, whose transaction amount with the Group for the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated net sales of the Company.
- (b) A client or supplier group who is indebted to the Group, for whom the total debt owing to the Group at the end of the immediately preceding business year was 10 million yen or more, and such amount exceeds 2% of the consolidated total assets of the Company as at the end of such business year.
- (c) A financial services institution group (refers to a party that belongs to the consolidated group that the direct lender belongs to) that the Company is borrowing from, for whom the total borrowings by the Company as of the end of the immediately preceding business year exceeds 2% of the Group’s consolidated total assets as at the end of such business year.

*4. Large sum refers to an amount exceeding 10 million yen per annum on average for the previous three business years of the Company.