

[**Translation:** Please note that the following purports to be a translation from the Japanese original Notice of Convocation of the 75th Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. prepared for the convenience of shareholders with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Please also be advised that certain expressions regarding voting procedures for shareholders that are not applicable to the shareholders outside Japan are intentionally omitted or modified to avoid confusion.]

May 6, 2022

TSE# 8016  
SEDOL#6483821JP  
ISIN#JP3203500008

To Our Shareholders:

Onward Holdings Co., Ltd.  
10-5, Nihonbashi 3-chome, Chuo-ku, Tokyo  
Representative Director, President and CEO  
Michinobu Yasumoto

**NOTICE OF CONVOCATION OF  
THE 75TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially notified of the 75th Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. (the “Company”) for the fiscal year ended February 28, 2022. The meeting will be held as described below.

Your voting rights can be exercised either in writing or via the Internet. We would appreciate your exercise of voting rights by reviewing the “Reference Document for the General Meeting of Shareholders” attached below, indicating whether you approve or disapprove each item on agenda on the enclosed Voting Rights Exercise Form and returning it to the Company before 5:40 PM (JST) of May 25, 2022 (Wednesday), or alternatively accessing to the designated website for exercising voting rights.

*In an effort to enhance the convenience of institutional investors, the Company participates in the electronic voting platform operated by ICJ via ProxyEdge® system of Broadridge. For further details, please consult with your custodians, nominees and/or brokers. Voting via Internet other than ICJ platform is only available for registered shareholders in Japan with Japanese language only.*

\* \* \*

## NOTICE OF MEETING

1. **Date and Time:** 10:00 AM of May 26, 2022 (Thursday)  
(The reception desk is scheduled to open at 9:00 AM.)
2. **Place:** Bellesalle Shiodome, 2nd Floor  
Sumitomo Fudosan Shiodome Hamarikyu Building  
21-1, Ginza 8-chome, Chuo-ku, Tokyo
3. **Purposes:**  
**Items to Be Reported:**
  1. Report on matters of the Business Report and the Consolidated Financial Statements for the 75th fiscal year (March 1, 2021 to February 28, 2022) and results of audit of the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board; and
  2. Report on the Non-Consolidated Financial Statements for the 75th fiscal year (March 1, 2021 to February 28, 2022)

### Items to Be Resolved:

- |                           |   |
|---------------------------|---|
| <b>Agenda Item No. 1:</b> | Appropriation of Surplus                              |
| <b>Agenda Item No. 2:</b> | Amendment to the Articles of Incorporation            |
| <b>Agenda Item No. 3:</b> | Election of Six (6) Directors                         |
| <b>Agenda Item No. 4:</b> | Election of Two (2) Audit & Supervisory Board Members |

4. **Items for Exercising Voting Rights:**
  - (1) **Treatment of duplicated exercises of voting rights in writing and via Internet**

In case that a voting right is exercised by both mail and the Internet, the vote registered via Internet will be recognized as valid.
  - (2) **Treatment of duplicated exercises of voting rights via Internet**

In case that a voting right is exercised more than once via the Internet, only the last vote will be recognized as valid. Similarly, in case that a voting right is exercised more than once using a PC, smartphone, etc., only the last vote will be recognized as valid.

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- \* If you attend the meeting in person, please submit the Voting Rights Exercise Form enclosed herewith to the receptionist of the Hall. For saving natural resources, please take this notice of convocation with you to the meeting.

The documents referred to below are published on the Company's website (<https://www.onward-hd.co.jp>) and written in Japanese only.

- \* Notes to Consolidated and Non-Consolidated Financial Statements which should be provided with this notice of convocation shall be announced on the Company's website in accordance with laws and regulations, and the Articles of Incorporation of the Company. In addition to documents attached to this notice of convocation, Notes to Consolidated and Non-Consolidated Financial Statements posted on the Company's website are included in Consolidated and Non-Consolidated Financial Statements audited by Audit & Supervisory Board Members and the Accounting Auditor in the course of preparing Audit Report and Accounting Auditor's Report respectively.
- \* If any amendment is needed to the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements and the Reference Document for the General Meeting of Shareholders, please be advised that such amendment when applicable shall be publicly announced on the Company's website.

**REFERENCE DOCUMENT FOR  
THE GENERAL MEETING OF SHAREHOLDERS**

**Agenda Items and Reference Matters:**

**Agenda Item No. 1: Appropriation of Surplus**

The Company considers the return of profits to shareholders to be one of the most important management issues. The Company follows the basic policy of distributing appropriate amounts of profits to shareholders in a way that is stable and linked with the business performance of the Company.

Under this policy, it is proposed that a year-end dividend for the fiscal year under review be as stated below.

Matters concerning the year-end dividend:

1. Type of dividend property:  
Cash
  
2. Allocation of dividends and total amount:  
12 yen per share of common stock of the Company  
1,627,606,776 yen total
  
3. Effective date of the dividend of surplus:  
May 27, 2022

**Agenda Item No. 2: Amendment to the Articles of Incorporation**

## 1. Reasons for the proposal of amendment

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

- (1) Article 14, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 14, paragraph 2 in “Proposed amendments” below will establish a provision to limit the scope of items to be stated in paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Disclosure via the Internet and Deemed Provision of the Reference Documents for the General the General Meeting of Shareholders, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

## 2. Details of the amendments

The details of the amendments are as follows:

(Amendments are underlined.)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 14 (Disclosure via the Internet and Deemed Provision of the Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When convening a general meeting of shareholders, the Company may deem that information pertaining to matters to be stated or indicated in reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements has been provided to shareholders by means of disclosure via the Internet in accordance with the applicable Ministry of Justice Ordinance.</u></p> <p style="text-align: center;">&lt;Newly established&gt;</p>	<p style="text-align: center;">&lt;Deleted&gt;</p> <p><u>Article 14 (Measures, Etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> <li><u>1. When convening a general meeting of shareholders, the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></li> <li><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></li> </ol>

Current Articles of Incorporation	Proposed amendments
<p>&lt;Newly established&gt;</p>	<p>(Supplementary Provisions)</p> <ol style="list-style-type: none"> <li data-bbox="836 271 1401 600">1. <u>The deletion of Article 14 (Disclosure via the Internet and Deemed Provision of the Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of the new Article 14 (Measures, Etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li> <li data-bbox="836 607 1401 745">2. <u>Notwithstanding the provision of the preceding paragraph, Article 14 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></li> <li data-bbox="836 752 1401 891">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></li> </ol>

**Agenda Item No. 3: Election of Six (6) Directors**

The term of office of seven Directors will expire at the closing of this Annual General Meeting of Shareholders. In this regard, it is proposed that six Directors, including two Outside Directors, be elected, lowering the number of Directors by one to enable strategic and flexible decision-making by the Board of Directors.

The candidates are as follows:

Candidate No.	Name		Current position and responsibility in the Company, and significant concurrent positions outside the Company	Attendance at Board of Directors meetings	Expertise and experience expected by the Company					
					Company management & Business operation	International experience & Overseas business	Finance, Accounting and M&A	Legal affairs, Compliance and Risk management	IT & Digital	Human resources, Diversity, Environment, CSR
1	Michinobu Yasumoto	Reelection	<ul style="list-style-type: none"> <li>■ Representative Director, President and CEO of the Company</li> <li>■ Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd.</li> </ul>	11/11 (100%)	●	●			●	●
2	Kenji Chishiki	Reelection	<ul style="list-style-type: none"> <li>■ Outside Director of the Company</li> </ul>	8/8 (100%)	●		●	●		
3	Osamu Sato	Reelection	<ul style="list-style-type: none"> <li>■ Director in charge of Finance, Accounting, Investor relations of the Company</li> <li>■ Director and Managing Executive Officer of Onward Kashiyama Co., Ltd.</li> <li>■ Representative Director and President of Onward Resort &amp; Golf Co., Ltd.</li> </ul>	11/11 (100%)	●		●	●		
4	Daisuke Ikeda	Reelection	<ul style="list-style-type: none"> <li>■ Director in charge of Corporate Planning, Human Resources, General Affairs of the Company</li> <li>■ Director and Managing Executive Officer of Onward Kashiyama Co., Ltd.</li> </ul>	11/11 (100%)	●			●		●
5	Akira Kawamoto	Reelection Outside Director Independent Director	<ul style="list-style-type: none"> <li>■ Outside Director of the Company</li> </ul>	11/11 (100%)	●	●	●		●	
6	Yoshie Komuro	Reelection Female Outside Director Independent Director	<ul style="list-style-type: none"> <li>■ Outside Director of the Company</li> <li>■ President of Work-Life Balance Co., Ltd.</li> </ul>	11/11 (100%)	●				●	●

(Notes)1. The name of Ms. Yoshie Komuro in the family register is Yoshie Ishikawa.

2. The table is not indicative of all the expertise and experience possessed by the candidates.

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Michinobu Yasumoto (Sept. 13, 1965)	May 2006    Joined the Company Mar. 2007    Executive Officer of the Company Sept. 2007    Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2011    Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiyama Co., Ltd. May 2014    Director of the Company Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. Sept. 2014    Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2015    Representative Director, President and CEO of the Company (current position) Director of Onward Kashiyama Co., Ltd. Nov. 2019    Representative Director and President of Onward Digital Lab Co., Ltd. Sept. 2021    Director of Onward Kashiyama Co., Ltd. Mar. 2022    Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd. (current position) [Significant concurrent positions outside the Company] Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd.	152,700
<p>Reasons for nomination</p> <p>Mr. Michinobu Yasumoto has held various management positions in the Corporate Planning, Digital Strategy, International Business and Product Planning Divisions, and he has extensive experience and advanced knowledge. He is currently responsible for the management execution of the Group and is leading its business execution as the Representative Director, President and CEO and is playing roles appropriately in, for example, making decisions on important management matters and supervising business execution. For these reasons, he has been nominated as a Director candidate for reelection.</p>			



Candidate No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Kenji Chishiki (Jan. 27, 1963)	<p>Apr. 1985      Joined Kanebo Ltd.</p> <p>May 2004      Director, Representative Executive Officer, President and Chief Operating Officer of Kanebo Cosmetics Inc.</p> <p>June 2010      President and Representative Director of TAKE AND GIVE. NEEDS Co., Ltd.</p> <p>Aug. 2015      Representative Director and President of Nihon Kotsu Co., Ltd.</p> <p>Nov. 2018      Independent Outside Director (Audit &amp; Supervisory Committee Member) of SHIFT Inc. (current position)</p> <p>June 2020      Outside Director of Ishii Food Co., Ltd. (current position)</p> <p>May 2021      Outside Director of the Company (current position)</p> <p>June 2021      Outside Director of Solasto Corporation (current position)</p>	0
<p>Reasons for nomination</p> <p>Mr. Kenji Chishiki has expertise as a corporate manager and diverse knowledge and insight in the fields of finance, accounting, legal affairs, etc. He can be expected to utilize this extensive experience and performance record to strengthen the management capabilities of the Group's operating companies in the lifestyle segment. For these reasons, he has been nominated as a Director candidate for reelection.</p>			
3	Osamu Sato (Aug. 15, 1966)	<p>Jan. 2016      Joined the Company</p> <p>Mar. 2018      Executive Officer in charge of Finance, Accounting of the Company</p> <p>Mar. 2020      Executive Officer in charge of Finance, Accounting, Investor relations of the Company</p> <p>                    Representative Director and President of Onward Resort &amp; Golf Co., Ltd. (current position)</p> <p>May 2020      Director in charge of Finance, Accounting, Investor relations of the Company (current position)</p> <p>Sept. 2021      Director of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2022      Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company]  Director and Managing Executive Officer of Onward Kashiyama Co., Ltd.  Representative Director and President of Onward Resort &amp; Golf Co., Ltd.</p>	15,100
<p>Reasons for nomination</p> <p>Mr. Osamu Sato has been in charge of the accounting divisions of the Group, and he has expert knowledge and extensive experience in the fields of finance and accounting. He currently serves as Representative Director and President of Onward Resort &amp; Golf Co., Ltd., which oversees the Group's resort-related business, while appropriately fulfilling his role as the Director of the Company in charge of finance, accounting, and investor relations by building a Group-wide finance strategy and so forth. For these reasons, he has been nominated as a Director candidate for reelection.</p>			

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Daisuke Ikeda (Mar. 22, 1968)	<p>Apr. 1991      Joined the Company</p> <p>Mar. 2018      Executive Officer in charge of Corporate Planning, Legal Affairs of the Company</p> <p>Mar. 2020      Executive Officer in charge of Corporate Planning, Secretary Office, Corporate Communications, Human Resources, General Affairs of the Company</p> <p>May 2020      Director in charge of Corporate Planning, Human Resources, General Affairs of the Company</p> <p>Mar. 2021      Director in charge of Corporate Planning, Human Resources, General Affairs, Corporate Sustainability of the Company</p> <p>Sept. 2021      Director of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2022      Director in charge of Corporate Planning, Human Resources, General Affairs of the Company (current position)</p> <p>Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] Director and Managing Executive Officer of Onward Kashiyama Co., Ltd.</p>	15,100
<p>Reasons for nomination</p> <p>Mr. Daisuke Ikeda has held various positions in the sales and administrative divisions of the Company, and he has extensive experience and performance record. He has experience of overseeing all sales divisions in Japan for the main brands and expanding business at Onward Kashiyama Co. Ltd., the core operating company of the Group. Currently, he is appropriately fulfilling his role as Director of the Company by taking charge of corporate planning, human resources, and general affairs, while supervising business execution in the Group and so forth. For these reasons, he has been nominated as a Director candidate for reelection.</p>			

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Akira Kawamoto (Aug. 19, 1958)	<p>Apr. 1981    Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>Aug. 1995    Organization for Economic Co-operation and Development (OECD) (Paris)</p> <p>Jan. 2001    Manager of Electricity Market Division, Electricity and Gas Industry Department, Agency for Natural Resources and Energy</p> <p>July 2009    Deputy Director-General of Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>Oct. 2012    Senior Partner of Aspirant Group Inc. (current position)</p> <p>Apr. 2013    Professor of Faculty of Economics of Keio University (current position)</p> <p>Mar. 2014    Outside Director (Audit and Supervisory Committee Member) of Future Corporation (current position)</p> <p>May 2018    Outside Director of the Company (current position)</p>	0
<p>Reasons for nomination and overview of expected roles</p> <p>Mr. Akira Kawamoto has extensive experience gained while working for the government for many years and diverse knowledge and insight from his academic experience, so the Company deems that he is qualified to be an Outside Director. For these reasons, he has been nominated as an Outside Director candidate for reelection.</p> <p>Furthermore, he can be expected to monitor and supervise the management of the Company from an independent standpoint, and provide valuable suggestions and opinions.</p>			

Candidate No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Yoshie Komuro (Name in family register: Yoshie Ishikawa) (Apr. 16, 1975)	<p>Apr. 1999      Joined Shiseido Company, Limited</p> <p>July 2006      President of Work-Life Balance Co., Ltd. (current position)</p> <p>Apr. 2008      Member of the Evaluation Working Group, Work-Life Balance Promotion and Evaluation Council, Cabinet Office</p> <p>Oct. 2009      Visiting Professor of Kanazawa Institute of Technology Graduate School (current position)</p> <p>Apr. 2013      Member of the Children and Childcare Support Council, Cabinet Office</p> <p>Sept. 2014      Civil Member of the Industrial Competitiveness Council</p> <p>Feb. 2015      Member of the Central Council for Education, Ministry of Education, Culture, Sports, Science and Technology</p> <p>June 2017      Outside Director of JAPAN POST INSURANCE Co., Ltd.</p> <p>May 2019      Outside Director of the Company (current position)</p> <p>Apr. 2020      Outside Director of redfox,inc.</p> <p>Nov. 2020      Outside Director of ClipLine, Inc. (current position)</p> <p>Dec. 2020      Director (Outside) of PACIFIC CONSULTANTS CO., LTD. (current position)</p> <p>[Significant concurrent positions outside the Company] President of Work-Life Balance Co., Ltd.</p>	0
<p>Reasons for nomination and overview of expected roles</p> <p>Ms. Yoshie Komuro has expertise as a corporate manager and experience and insight developed through serving in various roles as a specialist sitting on various government affiliated councils, so the Company deems that she is qualified to be an Outside Director. For these reasons, she has been nominated as an Outside Director candidate for reelection.</p> <p>Furthermore, she can be expected to monitor and supervise the management of the Company from an independent standpoint, and provide valuable suggestions and opinions.</p>			

(Notes)

- Each candidate stated above has no special interests in the Company.
- Mr. Akira Kawamoto and Ms. Yoshie Komuro are candidates for Outside Directors. The Company submitted Notifications of Independent Directors/Audit & Supervisory Board Members to the Tokyo Stock Exchange, Inc. that the Company designated Mr. Akira Kawamoto and Ms. Yoshie Komuro as Independent Directors.
- JAPAN POST INSURANCE Co., Ltd., where Ms. Yoshie Komuro has served as Outside Director from June 2017 to February 2020, received on December 27, 2019, when she was serving, an order of partial suspension of business and a business improvement order from the Financial Services Agency for inappropriate insurance solicitation for JAPAN POST INSURANCE Co., Ltd. products. She regularly made proposals from the viewpoint of legal compliance and from the perspective of the customer, and after the above facts came to light, she made proposals to protect customers and prevent recurrence, and appropriately fulfilled her duties as Outside Director.

4. One employee at PACIFIC CONSULTANTS CO., LTD., where Ms. Yoshie Komuro has been a Director (Outside) since December 18, 2020, was arrested on the suspicion of obstructing competitive bidding for public contracts on January 24, 2022 and February 14, 2022 in relation to competitive bidding on outsourcing for design of a bridge that was ordered by Toyama-shi, Toyama Prefecture. Ms. Yoshie Komuro regularly made proposals from the viewpoint of legal compliance, and after the above facts came to light, she made proposals to prevent recurrence and appropriately fulfilled her duties.
5. A directors and officers liability insurance:
  - (i) The Company has entered into a directors and officers liability insurance (“D&O insurance”) policy, thereby covering losses and costs incurred by Directors in cases where they are liable for damages arising from their performance of duties.
  - (ii) The full amount of the insurance premiums for D&O insurance is borne by the Company.
  - (iii) If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the D&O insurance policy.
  - (iv) The term of the D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.
6. The independence of Outside Directors and the agreement to limit Outside Directors’ liability:
  - (1) The independence of candidates for Outside Directors:
    - (i) The duration of Mr. Akira Kawamoto’s assumption of the office as Outside Director of the Company will have been four years upon the closing of this General Meeting of Shareholders.
    - (ii) The duration of Ms. Yoshie Komuro’s assumption of the office as Outside Director of the Company will have been three years upon the closing of this General Meeting of Shareholders.
    - (iii) Both of the candidates for Outside Directors satisfy “Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members” (pp.16-17).
  - (2) Agreement with Outside Director to limit liabilities:

The Company has concluded an agreement with Mr. Akira Kawamoto and Ms. Yoshie Komuro to limit their liabilities prescribed in Article 423, paragraph (1) of the Companies Act to the minimum liability amount as prescribed in Article 427, paragraph (1) of the Companies Act.

Provided the reelection of Mr. Akira Kawamoto and Ms. Yoshie Komuro is approved, the Company is going to conclude such agreements with them.

The Company has concluded an agreement with Mr. Kenji Chishiki to limit his liability prescribed in Article 423, paragraph (1) of the Companies Act to the minimum liability amount as prescribed in Article 427, paragraph (1) of the Companies Act.

The agreement with Mr. Kenji Chishiki to limit his liability will expire upon the closing of this General Meeting of Shareholders.

**Agenda Item No. 4: Election of Two (2) Audit & Supervisory Board Members**

Audit & Supervisory Board Members Mr. Hirokazu Yoshizato and Mr. Hisayuki Ichinose will resign at the closing of this Annual General Meeting of Shareholders. In this regard, it is proposed that two Audit & Supervisory Board Members be elected.

Because candidates for Audit & Supervisory Board Member Mr. Hikosaburo Seike and Mr. Nobuyoshi Onogi would be elected as Audit & Supervisory Board Members to fill vacancies, as provided for in the Company's Articles of Incorporation, their term of office will expire at the time of expiration of the retiring Audit & Supervisory Board Member's term of office.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidates are as follows:

Candidate No.	Name (Date of Birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<u>New candidate</u> Hikosaburo Seike (July 19, 1960)	Apr. 1983    Joined the Company Mar. 2015    Executive Officer of the Company Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2021    Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2022    Adviser of the Company (current position)	15,300
	Reasons for nomination Mr. Hikosaburo Seike has held various positions in sales, product planning, marketing and other areas at Onward Kashiyama Co., Ltd., a primary operating company, and has thorough knowledge of its overall business. In addition, he has been in charge of the Sales Promotion Division, which presides over overall administration of Onward Kashiyama, and can be expected to supervise all aspects of management and provide worthwhile advice. For these reasons, he has been newly nominated as an Audit & Supervisory Board Member candidate for election.		
2	<u>New candidate</u> Nobuyoshi Onogi (May 10, 1964)	Apr. 1992    Joined Onward Marine Co., Ltd. Mar. 2018    General Manager of Administrative Division of Onward Resort & Golf Co., Ltd. Sept. 2019    General Manager of Internal Control Office of the Company (current position)	0
	Reasons for nomination Mr. Nobuyoshi Onogi has been in charge of the general affairs and accounting divisions of group companies, and has expert knowledge related to accounting. In addition, he has been in charge of the Internal Control Office, and has the experience and ability to appropriately exercise the auditing and supervising functions. For these reasons, he has been newly nominated as an Audit & Supervisory Board Member candidate for election.		

(Notes)

1. Each candidate stated above has no special interests in the Company.
2. A directors and officers liability insurance:
  - (i) The Company has entered into a directors and officers liability insurance ("D&O insurance") policy, thereby covering losses and costs incurred by Audit & Supervisory Board Members in cases where they are liable for damages arising from their performance of duties.
  - (ii) The full amount of the insurance premiums for D&O insurance is borne by the Company.
  - (iii) If each candidate is elected and assumes the office as Audit & Supervisory Board Member, the Company plans to include every such Audit & Supervisory Board Member as an insured in the D&O insurance policy.

- (iv) The term of the D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

(Reference)

### **Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members**

When a candidate for Outside Director or Outside Audit & Supervisory Board Member applies to any of the following, the Company considers that the candidate does not have the independence as Outside Director/Outside Audit & Supervisory Board Member.

1. Relationship with a company at which a person engaged in business execution<sup>1</sup> of the Company assumes a director or corporate executive position  
Any person engaged in business execution of a company at which a person engaged in business execution of the Company assumes a corporate executive position.
2. Major business partner  
Any party that considers the Company as a major business partner<sup>2</sup> or a person engaged in business execution of the party, or any major business partner of the Company<sup>3</sup> or a person engaged in business execution of the business partner.
3. Accounting auditor firm of the Company  
Any person belonging to an accounting auditor firm that performs audits concerning the Company based on the Companies Act or the Financial Instruments and Exchange Act.
4. External specialist  
Any external specialist who receives a considerable amount<sup>4</sup> of money or other assets from the Company in addition to remuneration as an Outside Director or an Audit & Supervisory Board Member (such a specialist refers to an attorney-at-law, accountant, tax accountant, patent attorney, judicial scrivener, consultant, etc.; if the party receiving the aforesaid assets is a corporation, union, or any other form of organization, the person belonging to such organization).
5. Recipient of contribution  
Any party receiving a considerable amount<sup>5</sup> of contribution from the Company (if the party receiving the aforesaid contribution is a corporation, union, or any other form of organization, the person engaged in business execution at such organization).
6. Major shareholder  
Any party or a person engaged in business execution of a respective company that beneficially holds 10% or more of the Company's voting rights.
7. Former relevant person  
Any person that was applicable to any of 1. through 5. above in the past five years.
8. Next of kin  
Next of kin of a person applicable to any of 1. through 7. above (excluding a person of no importance).

Notes:

- 1 "A person engaged in business execution" refers to an executive director, executive officer, general manager or employee (including adviser).
- 2 "Any party that considers the Company as a major business partner" refers to a party that has received from the Company an amount of payment equivalent to over 2% of its annual net sales in the most recent fiscal year.
- 3 "Major business partner of the Company" refers to a party that has paid the Company an amount equivalent to over 2% of the annual net sales of the Company or a party whose outstanding loan to the Company exceeds 2% of the total assets of the Company, in the most recent fiscal year.



- 4 “A considerable amount” with respect to assets received in the most recent fiscal year refers to, in case the party that has received the assets concerned is an individual, an annual amount of 10 million yen, and in case the party is a corporation, union, or any other form of organization, an amount over 2% of consolidated net sales or total revenue of the organization.
- 5 “A considerable amount” with respect to contribution received in the most recent fiscal year refers to, an annual amount of 10 million yen or 2% of the total revenue, whichever is higher.

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