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Securities Code 9728
May 31, 2022

To Shareholders with Voting Rights:

Shintaro Fukuda
President and Representative Director
NIPPON KANZAI Co., Ltd.
Head Office: 9-16 Rokutanji-cho,
Nishinomiya City, Hyogo
Headquarters: 2-1-10 Nihombashi,
Chuo-ku, Tokyo

**NOTICE OF
THE 57th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are hereby notified that the 57th Ordinary General Meeting of Shareholders of NIPPON KANZAI Co., Ltd. (the "Company") will be held for the purposes described below.

In light of the situation with COVID-19, and in order to ensure the safety of our shareholders, we ask you to refrain from attending the General Meeting of Shareholders in person and exercise your voting rights in advance by mail. To exercise your voting rights in writing, please review the attached Reference Documents for the General Meeting of Shareholders, indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form, and send it so that it arrives by the end of business hours (6:00 p.m. Japan time) on Thursday, June 16, 2022.

- 1. Date and Time:** Friday, June 17, 2022 at 10:00 a.m. Japan time (Reception opens at 9:00 a.m.)
- 2. Place:** Main Conference Room at the Head Office of the Company located at 9-16 Rokutanji-cho, Nishinomiya City, Hyogo
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company's 57th Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 57th Fiscal Year (April 1, 2021 - March 31, 2022)

Proposals to be resolved:

- Proposal 1: Appropriation of Surplus**
- Proposal 2: Approval of the Share Transfer Plan**
- Proposal 3: Partial Amendments to the Articles of Incorporation**
- Proposal 4: Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)**

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company regards the dividend policy for shareholders as one of its highest priorities and makes it a basic policy to appropriately distribute the results in accordance with its business performance as a means of returning profits to shareholders, while giving due consideration to future business development and strengthening of the management structure. The year-end dividend for the current fiscal year shall be 27 yen per share.

Items Related to the Year-end Dividend

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property and its total amount

27 yen per common share of the Company

Total of 1,009,348,938 yen

(3) Date the distribution of surplus comes into effect:

June 20, 2022

Proposal 2: Approval of the Share Transfer Plan

On May 12, 2022, the Board of Directors of the Company resolved to establish a holding company (wholly owning parent company), NIPPON KANZAI Holdings Co., Ltd. (the “Holding Company”) by the method of sole share transfer (the “Share Transfer”) of the Company with a planned date of April 3, 2023.

This proposal is to seek the approval of shareholders for the share transfer plan for the Share Transfer (the “Share Transfer Plan”). The reasons for the Share Transfer, the details of the Share Transfer Plan, etc., are as follows.

1. Background and Purpose of the Transition to a Holding Company Structure through Sole Share Transfer

(1) Background of the transition to a holding company structure

Since our establishment in 1965, the Company has been taking care of our customers’ valuable building assets, believing that our mission is to ensure that our customers can continue to use their buildings in good health and with peace of mind. During that time, the Company has always provided high-quality services from the customer’s point of view, aiming to be a “company that contributes to society through continuous growth” by constantly evolving our business content, target applications, and level in response to the increasingly diverse and complex needs of our customers in accordance with changes in social conditions.

In order to further accelerate the business development of the Group and achieve sustainable growth, we believe it is necessary to review the organizational structure of the Group management and further strengthen each business while achieving Group synergy. We also believe it is necessary to develop personnel for the Group management through experience at each operating company. From this perspective, we have determined that the optimal new Group management structure is to shift to a holding company structure. The Group aims to achieve further growth by having the Holding Company specialize in the Group management functions, formulate management strategies, optimize management resources, and strengthen functions, while the operating companies speedily manage their businesses in response to the business environment under the responsibility and authority of each company.

(2) Purpose of the transition to a holding company structure

The purpose of the Group's transition to a holding company structure is as follows.

1) Reinforcement of Group headquarters functions

The Group will separate its Group management and business execution functions, and the Holding Company will focus exclusively on the Group management functions in order to strengthen these functions. In addition, the Group synergies can be realized by centralizing common and Group-wide functions in the Holding Company.

2) Delegation of authority to the business and acceleration of decision-making

By spinning off the building maintenance business and giving it more responsibility and authority, the Company will be able to operate its business speedily in response to the business environment. The Group believes that greater autonomy and freedom as an operating company will enable us to respond more quickly to customer needs and operate with a greater understanding of the front line.

3) Development of Group management personnel

The Group will develop Group management personnel by allowing them to gain management experience at operating companies under the Holding Company. In addition, the Holding Company will take the lead in identifying, training, managing, and appointing personnel who will be responsible for the next generation of the Group management.

2. Procedures for Transition to Holding Company Structure

After the establishment of the Holding Company, the Company's subsidiaries and others will be reorganized as subsidiaries of the Holding Company.

As a result of the Share Transfer, the Company will become a wholly owned subsidiary of the Holding Company, and the shares of the Company will be delisted, but the Company plans to apply for initial listing (technical listing) of shares of the Holding Company to be newly delivered to the shareholders of the Company on the Prime Market of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"). The listing date will be subject to examination by the Tokyo Stock Exchange, and is scheduled for April 3, 2023, the effective date of the Share Transfer.

3. Overview of the Details of the Share Transfer Plan

The details of the Share Transfer are described in the "Share Transfer Plan (Copy)" below.

Share Transfer Plan (Copy)

NIPPON KANZAI Co., Ltd. (the "Company") prepares the following share transfer plan (the "Plan") for the purpose of conducting a share transfer (the "Share Transfer") to establish a wholly owning parent company (the "Holding Company") through a sole share transfer in which the Company will become a wholly-owned subsidiary through a share transfer.

Article 1. Purpose, Trade Name, Location of Head Office, Total Number of Authorized Shares, and Other Matters Specified in the Articles of Incorporation of the Holding Company

1. The purpose, trade name, location of head office, and total number of authorized shares of the Holding Company shall be as follows.

(1) Purpose

The purpose of the Holding Company shall be as described in Article 2 of the attached "Articles of Incorporation of NIPPON KANZAI Holdings Co., Ltd."

(2) Trade name

The trade name of the Holding Company shall be "*Nippon Kanzai Holdings Kabushiki Kaisha*," and in English, it shall be "NIPPON KANZAI Holdings Co., Ltd."

(3) Location of head office

The head office of the Holding Company shall be located in Nishinomiya City, Hyogo, and its

address shall be 9-16 Rokutanji-cho, Nishinomiya City, Hyogo.

(4) Total number of authorized shares

The total number of authorized shares of the Holding Company shall be 160,000,000 shares.

2. In addition to the matters listed in the preceding Paragraph, matters to be stipulated in the Articles of Incorporation of the Holding Company shall be as described in the attached “Articles of Incorporation of NIPPON KANZAI Holdings Co., Ltd.”

Article 2. Names of Directors and Accounting Auditor at the Time of Incorporation of the Holding Company

1. The names of the Directors of the Holding Company at the time of incorporation (excluding the Directors at the time of incorporation who are Audit & Supervisory Committee Members at the time of incorporation) shall be as follows.

Director Takeshi Fukuda
Director Shintaro Fukuda
Director Mamoru Yasuda
Director Yoshikazu Tokuyama
Director Kunio Takahashi
Director Naoki Furuya
Director Yasuhiro Harada
Director Masahiro Wakamatsu

2. The names of the Directors of the Holding Company at the time of incorporation who are Audit & Supervisory Committee Members at the time of incorporation shall be as follows.

Director Shingo Inui
Director Yoshiro Yamashita
Director Kota Kosuga
Director Takako Okada

3. The name of the Accounting Auditor of the Holding Company at the time of its incorporation shall be as follows.

PricewaterhouseCoopers Aarata LLC

Article 3. Shares to be Delivered upon the Share Transfer and Allotment Thereof

1. Upon the Share Transfer, the Holding Company shall deliver to the shareholders of the Company appearing or recorded in the shareholders' register of the Company as of the time immediately preceding the time when the Holding Company acquires all of the issued and outstanding shares of the Company upon the Share Transfer (the “Record Time”), in exchange for the shares of the Company held by such shareholders, common shares of the Holding Company in a number equal to the total number of common shares of the Company outstanding as of the Record Time.
2. With respect to the allotment of shares of the Holding Company to be delivered pursuant to the preceding Paragraph, one common share of the Holding Company shall be allotted to each shareholder of the Company as of the Record Time for each share of the Company held by such shareholder.

Article 4. Matters Related to the Amount of Capital and Surplus of the Holding Company

1. Amount of capital
3,000,000,000 yen
2. Amount of legal capital surplus
750,000,000 yen
3. Amount of legal retained earnings
0 yen

Article 5. Date of Incorporation of the Holding Company

The date on which the incorporation of the Holding Company shall be registered (the “Date of Incorporation”) shall be April 3, 2023. However, this date may be changed by a resolution of the Board of Directors of the Company, if necessary for the progress of the procedures for the Share Transfer or for other reasons.

Article 6. General Meeting of Shareholders to Approve the Plan

The Company shall convene an Ordinary General Meeting of Shareholders with June 17, 2022 as the date of the meeting to seek approval of the Plan and resolutions on matters necessary for the Share Transfer. However, the meeting may be changed by a resolution of the Board of Directors of the Company, if necessary for the progress of the procedures for the Share Transfer or for other reasons.

Article 7. Stock Listing

The Holding Company plans to list the common shares it issues on the Tokyo Stock Exchange, Inc. on the Date of Incorporation.

Article 8. Shareholders’ Register Administrator

The shareholders’ register administrator of the Holding Company shall be Mitsubishi UFJ Trust and Banking Corporation.

Article 9. Changes in Conditions of the Share Transfer and Cancellation of the Share Transfer

In the event of any material change in the financial or business condition of the Company or in the event of any material impediment to the execution of the Share Transfer due to a natural disaster or other cause after the preparation of the Plan until the Date of Incorporation, the Company may, by a resolution of the Board of Directors of the Company, amend the Plan or cancel the Share Transfer.

Article 10. Effect of the Plan

The Plan shall cease to be effective in any of the following cases.

- (1) If the Plan is not approved at the General Meeting of Shareholders of the Company by the day prior to the Date of Incorporation.
- (2) If, by the Date of Incorporation, the Company fails to obtain the approvals, etc., of the relevant authorities as required by domestic or foreign laws and regulations, or if such approval, etc., are subject to any conditions or restrictions that materially hinder the execution of the Share Transfer.

May 12, 2022

Shintaro Fukuda
President and Representative Director
NIPPON KANZAI Co., Ltd.
9-16 Rokutanji-cho, Nishinomiya City, Hyogo

(Attachment)

Articles of Incorporation of NIPPON KANZAI Holdings Co., Ltd.

CHAPTER I. GENERAL PROVISIONS

(Trade Name)

Article 1. The trade name of the Company shall be “*Nippon Kanzai Holdings Kabushiki Kaisha*,” and in English, it shall be “NIPPON KANZAI Holdings Co., Ltd.”

(Purpose)

Article 2. The purpose of the Company shall be to engage in the following businesses or to own shares or interests in companies (including foreign companies), partnerships (including those equivalent to a partnership in a foreign country), or other similar entities engaged in the following businesses in order to control and manage the business activities of such companies, etc.

1. Maintenance services related to buildings and related facilities
2. Services related to security contracting and security guarantees
3. Operation, maintenance, inspection, and management of incinerators, water supply, sewage system, and other environmental sanitation facilities
4. Worker dispatch services
5. Fee-charging employment placement services
6. Information gathering, provision, and consulting services relating to real estate management, leasing, sales and purchase, and brokerage, as well as mediation, representation, investigation, inspection, appraisal, and other related services thereof
7. Investment advisory services relating to real estate, real estate securitization products, etc., and brokerage, agency, research, and consulting services relating to these businesses
8. Holding, operating, managing, and buying and selling trust beneficiary rights, and brokerage, agency, research, and consulting services for businesses related thereto
9. Building lots and building transaction business and related consulting business
10. Operations related to sorting, packaging, packing, and warehousing of various products at merchandise distribution centers
11. Architectural design and supervision, and management of a first-class architect’s office
12. Construction work, civil engineering work, scaffolding work and earthwork, electrical work, plumbing work, painting work, waterproofing work, firefighting facility work, steel structure work, dredging work, machinery and equipment installation work, water supply facility work, cleaning facility work, carpentry work, plastering work, stonework, roofing work, tile/brick/blockwork, reinforcing steel work, paving work, sheet metal work, glass work, interior finishing work, heat insulation work, joinery work, demolition work, and contracting thereof
13. Services related to the disposal of industrial waste
14. Construction, inspection, maintenance, and management of firefighting equipment, elevators and escalators, air conditioning, space conditioning, water supply and drainage, sanitary facilities, etc.
15. Sales of industrial chemicals for water treatment such as coagulants and precision equipment such as pumps
16. Sales of interior goods, furniture, household electrical appliances, daily necessities and sundries, and foodstuffs
17. Planning, editing, production, and management of events, advertisements, printed matter, audio, and visual images
18. Life insurance solicitation business and non-life insurance agency business

19. Energy conservation support service business
20. Business based on the Financial Instruments and Exchange Act
21. Business based on the Act on Specified Joint Real Estate Ventures
22. Bond trading and related consulting services
23. Real estate ownership, purchase and sale, and brokerage business thereof
24. Lending of real estate collateral and other loans of money
25. Land development and development business
26. Travel agency business and hotel management
27. Talent management and administration thereof
28. Advertising agency services
29. Condominium management services
30. Computer calculation and preparation of company forms and other documents on consignment
31. Development, sales, and consulting services of computer software
32. Agency services related to payroll calculation
33. Labor consulting services
34. All businesses incidental or related to each of the preceding Items

(Location of Head Office)

Article 3. The head office of the Company shall be located in Nishinomiya City, Hyogo.

(Public Notices)

Article 4. Public notices of the Company shall be given electronically. However, in the event of an accident or other unavoidable circumstances that preclude electronic public notices, public notices shall be given by publication in the Nihon Keizai Shimbun.

CHAPTER II. SHARES

(Total Number of Authorized Shares)

Article 5. The total number of authorized shares of the Company shall be 160,000,000 shares.

(Number of Shares Constituting One Unit of Shares)

Article 6. The number of shares constituting one unit of shares of the Company shall be 100 shares.

(Acquisition of Treasury Stock)

Article 7. The Company may acquire treasury shares through market transactions, etc., by a resolution of the Board of Directors.

(Request for Sale of Shares Constituting Less than One Unit)

Article 8. A shareholder who holds shares of less than one unit of the Company's shares may demand that the Company sell to such shareholder the number of shares that, together with the number of shares less than one Company share unit such shareholder holds, will constitute one Company share unit (the "Additional Purchase").

2. If the Company does not hold the number of shares to be sold in response to a request under the preceding Paragraph, the Company may refuse to comply with the request under the preceding Paragraph.

(Restriction on Rights of Shareholders Who Hold Less than One Unit)

Article 9. Shareholders of the Company who hold less than one Company share unit may not exercise any rights other than the rights listed below.

1. Rights listed in each Item of Article 189, Paragraph 2 of the Companies Act
2. The right to request the acquisition of shares with a right to request acquisition
3. The right to receive an allotment of offered shares or offered share acquisition rights
4. The right to request the Additional Purchase of shares constituting less than one unit as provided for in the preceding Article

(Shareholders' Register Administrator)

Article 10. The Company shall have a shareholders' register administrator.

2. The shareholders' register administrator and its place of business shall be determined by a resolution of the Board of Directors and public notice thereof shall be given.

(Share Handling Regulations)

Article 11. The entry or recording in the shareholders' register and the register of share acquisition rights, the purchase or the Additional Purchase of shares constituting less than one unit, other handling and fees related to shares or share acquisition rights, and procedures for the exercise of rights by shareholders shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to those provided by laws and regulations or the Articles of Incorporation.

(Record Date)

Article 12. The Company shall deem the shareholders with voting rights whose names appear or are recorded in the latest shareholders' register as of March 31 of each year to be the shareholders entitled to exercise their rights at the Ordinary General Meeting of Shareholders relating to that fiscal year.

2. Notwithstanding the preceding Paragraph, the Company may, if necessary, by a resolution of the Board of Directors and upon giving prior public notice, deem the shareholders or registered share pledgees whose names appear or are recorded in the latest shareholders' register as of a certain date to be the shareholders or registered share pledgees entitled to exercise their rights.

CHAPTER III. GENERAL MEETING OF SHAREHOLDERS

(Convocation)

Article 13. An Ordinary General Meeting of Shareholders shall be convened within three months from April 1 of each year, and an Extraordinary General Meeting of Shareholders shall be convened when necessary.

(Persons Authorized to Convene and Chairperson)

Article 14. Unless otherwise provided by laws and regulations, a General Meeting of Shareholders shall be convened by the President of the Company by a resolution of the Board of Directors. In the absence or disability of the President, another Director shall convene the meeting in the order previously determined by the Board of Directors.

2. The President shall preside as chairperson at a General Meeting of Shareholders. In the absence or disability of the President, another Director shall chair the meeting in the order previously determined by the Board of Directors.

(Measures of Electric Provision, etc.)

Article 15. The Company shall, in convening a General Meeting of Shareholders, take measures to provide

information contained in the Reference Documents for the General Meeting of Shareholders, etc., electronically.

2. Of the matters to which electronic provision measures apply, the Company may choose not to record all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for the provision of physical documents by the record date for voting rights.

(Method of Resolution)

Article 16. Unless otherwise provided by laws and regulations or the Articles of Incorporation, resolutions of the General Meeting of Shareholders shall be adopted by a majority of the voting rights of the shareholders present who are entitled to exercise their voting rights.

2. Unless otherwise provided in the Articles of Incorporation, resolutions to be adopted in accordance with the provisions of Article 309, Paragraph 2 of the Companies Act shall be adopted by a two-thirds or more of the voting rights of the shareholders present at the meeting where the shareholders holding one-third or more of the voting rights of the shareholders who are entitled to exercise their voting rights are present.

(Exercise of Voting Rights by Proxy)

Article 17. A shareholder may exercise his/her voting rights by designating one other shareholder of the Company who has voting rights as a proxy.

2. In the case of the preceding Paragraph, the shareholder or proxy must submit to the Company a document evidencing the proxy's power of representation at each General Meeting of Shareholders.

(Minutes)

Article 18. With respect to the proceedings of the General Meeting of Shareholders, the substance of the proceedings and the results thereof, and any other matters required by laws and regulations shall be stated or recorded in the minutes.

CHAPTER IV. DIRECTORS AND BOARD OF DIRECTORS

(Establishment of Board of Directors)

Article 19. The Company shall have a Board of Directors.

(Number of Directors)

Article 20. The Company shall have no more than ten (10) Directors (excluding Directors who are Audit & Supervisory Committee Members).

2. The Company shall have no more than five (5) Directors who are Audit & Supervisory Committee Members (hereinafter "Audit & Supervisory Committee Members").

(Election of Directors)

Article 21. Directors shall be elected by a resolution of the General Meeting of Shareholders, distinguishing between Audit & Supervisory Committee Members and other Directors.

2. A resolution for the election of Directors shall be adopted by a majority of the votes of shareholders present at a meeting where shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights are present.
3. The resolution for the election of Directors shall not be adopted by cumulative voting.

(Term of Office of Directors)

Article 22. The term of office of Directors shall expire at the conclusion of the Ordinary General Meeting of

Shareholders relating to the last fiscal year ending within one year after their election.

2. Notwithstanding the provisions of the preceding Paragraph, the term of office of Audit & Supervisory Committee Members shall expire at the conclusion of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within two years after their election.
3. The term of office of Audit & Supervisory Committee Members elected to fill a vacancy shall expire at the end of the term of office of the retiring Audit & Supervisory Committee Member.

(Representative Director and Directors with Special Titles)

Article 23. The Company shall appoint Representative Director by a resolution of the Board of Directors.

2. Representative Director shall represent the Company and shall execute the business of the Company.
3. The Board of Directors may, by its resolution, select one (1) President, and if necessary, one (1) Chairman and a few Vice Presidents, Senior Managing Directors, and Managing Directors.

(Persons Authorized to Convene and Chairperson of Meetings of the Board of Directors)

Article 24. Except as otherwise provided by laws and regulations, the President shall convene and chair the meetings of the Board of Directors.

2. In the absence or disability of the President, another Director shall convene and chair a meeting of the Board of Directors in an order previously determined by the Board of Directors.

(Notice of Convocation of Meetings of the Board of Directors)

Article 25. Notice of convocation of a meeting of the Board of Directors shall be given to each Director at least three days prior to the date of the meeting. However, this period may be shortened in case of urgent necessity.

2. A meeting of the Board of Directors may be held without following the procedures for convening a meeting if all the Directors consent thereto.

(Method of Resolutions of Meetings of the Board of Directors)

Article 26. Resolutions of a meeting of the Board of Directors shall be adopted by a majority of the votes of the Directors present at a meeting where a majority of the Directors are present.

(Omission of Resolutions of Meetings of the Board of Directors)

Article 27. The Company shall deem a resolution of the Board of Directors to be passed if all Directors agree in writing or by electromagnetic record to the matters to be resolved at a meeting of the Board of Directors.

(Delegation of Business Execution to Directors)

Article 28. The Company may delegate important business decisions (excluding the matters listed in each Item of Article 399-13, Paragraph 5 of the Companies Act) to Directors by a resolution of the Board of Directors pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act.

(Minutes of Meetings of the Board of Directors)

Article 29. The substance of proceedings and results of a meeting of the Board of Directors and other matters stipulated by laws and regulations shall be stated or recorded in the minutes, and Directors present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes.

(Exemption of Directors from Liability)

Article 30. The Company may, by a resolution of the Board of Directors, exempt Directors (including

former Directors) from liability for damages under Article 423, Paragraph 1 of the Companies Act up to the amount obtained by deducting the minimum liability amount stipulated by laws and regulations from the amount of liability for damages if the requirements stipulated by laws and regulations are met.

2. The Company may enter into an agreement with Directors (excluding Directors who are Executive Directors, etc.) to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, if the requirements stipulated by laws and regulations are met. However, the maximum amount of liability based on such agreement shall be the minimum liability amount stipulated by laws and regulations.

(Division of Responsibilities of Directors)

Article 31. The President shall supervise the overall management of the Company's business.

2. The Chairman, Executive Vice Presidents, Senior Managing Directors, Managing Directors, and other Directors (excluding Outside Directors and Audit & Supervisory Committee Members) shall each assist the President and shall be in charge of matters as prescribed.

(Remuneration, etc., of Directors)

Article 32. Remuneration, etc., of Directors shall be determined by a resolution of the General Meeting of Shareholders, distinguishing Audit & Supervisory Committee Members and other Directors.

(Regulations of Board of Directors)

Article 33. Matters concerning the Board of Directors shall be governed by the Board of Directors Regulations established by the Board of Directors in addition to those provided by laws and regulations or the Articles of Incorporation.

CHAPTER V. AUDIT & SUPERVISORY COMMITTEE

(Establishment of Audit & Supervisory Committee)

Article 34. The Company shall have an Audit & Supervisory Committee.

(Notice of Convocation of Meetings of the Audit & Supervisory Committee)

Article 35. Notice of convocation of a meeting of the Audit & Supervisory Committee shall be given to each Audit & Supervisory Committee Member at least three days prior to the date of the meeting. However, this period may be shortened in case of urgent necessity.

2. A meeting of the Audit & Supervisory Committee may be held without following the procedures for convening a meeting if all the Audit & Supervisory Committee Members consent thereto.

(Method of Resolutions of Meetings of the Audit & Supervisory Committee)

Article 36. Resolutions of a meeting of the Audit & Supervisory Committee shall be adopted by a majority vote at a meeting where a majority of the Audit & Supervisory Committee Members are present.

(Minutes of Meetings of the Audit & Supervisory Committee)

Article 37. The substance of proceedings and results of a meeting of the Audit & Supervisory Committee and other matters stipulated by laws and regulations shall be stated or recorded in the minutes, and Audit & Supervisory Committee Members present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes.

(Regulations of Audit and Supervisory Committee)

Article 38. Matters concerning the Audit & Supervisory Committee shall be governed by the Audit & Supervisory Committee Regulations established by the Audit & Supervisory Committee, in

addition to those provided by laws and regulations or the Articles of Incorporation.

CHAPTER VI. ACCOUNTING AUDITOR

(Establishment of Accounting Auditor)

Article 39. The Company shall have an Accounting Auditor.

(Appointment of Accounting Auditor)

Article 40. The Accounting Auditor shall be elected by a resolution of the General Meeting of Shareholders.

(Term of Office of Accounting Auditor)

Article 41. The term of office of the Accounting Auditor shall expire at the conclusion of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within one year after its election.

2. If no specific resolution is passed at the Ordinary General Meeting of Shareholders set forth in the preceding Paragraph, the Accounting Auditor shall be deemed to have been reappointed at such Ordinary General Meeting of Shareholders.

(Remuneration, etc., of Accounting Auditor)

Article 42. Remuneration, etc., of the Accounting Auditor shall be determined by Representative Director with the consent of the Audit & Supervisory Committee.

CHAPTER VII. ACCOUNTS

(Fiscal Year)

Article 43. The fiscal year of the Company shall begin on April 1 of each year and end on March 31 of the following year.

(Year-end Dividends)

Article 44. The Company shall, by a resolution of the General Meeting of Shareholders, pay dividends of surplus in cash (the "Year-end Dividends") to the shareholders or registered share pledgees appearing or recorded in the latest shareholders' register as of March 31 of each year.

(Interim Dividends)

Article 45. The Company may, by a resolution of the Board of Directors, pay dividends of surplus (the "Interim Dividends") as provided in Article 454, Paragraph 5 of the Companies Act to the shareholders or registered share pledgees appearing or recorded in the latest shareholders' register as of September 30 of each year.

(Period of Exclusion of Year-end Dividends, etc.)

Article 46. The Company shall be discharged from the obligation to pay the Year-end Dividends and Interim Dividends if they have not been received three years from the date of commencement of payment. No interest shall accrue on unpaid Year-end Dividends and Interim Dividends.

SUPPLEMENTARY PROVISIONS

(First Fiscal Year)

Article 1. Notwithstanding the provisions of Article 43, the first fiscal year of the Company shall be from the date of incorporation of the Company to March 31, 2024.

(Remuneration, etc., of the First Directors)

Article 2. Notwithstanding the provisions of Article 32, the amount of remuneration, etc., of Directors of the Company for the period from the date of incorporation of the Company to the time of the first Ordinary General Meeting of Shareholders of the Company shall be as follows, respectively.

1. The total amount of remuneration, etc., of Directors (excluding Audit & Supervisory Committee Members) shall be no more than 1,000 million yen per year (not including salaries for employees of Directors who concurrently serve as employees of the Company).
2. The total amount of remuneration, etc., of Audit & Supervisory Committee Members shall not exceed 100 million yen per year.

(Deletion of Supplementary Provisions)

Article 3. These Supplementary Provisions shall be deleted at the conclusion of the first Ordinary General Meeting of Shareholders of the Company.

4. Summary of Matters Set Forth in each Item of Article 206 of the Regulations for Enforcement of the Companies Act

(1) Matters concerning the reasonableness of the provisions regarding the consideration for the share transfer

1) Matters concerning the reasonableness of the shares to be delivered

Since the Share Transfer will establish one Holding Company, which will be the wholly owning parent company, through a sole share transfer of shares of the Company, and since there will be no change in the composition of shareholders of the Company and the Holding Company at the time of the share transfer, the Company decided to deliver to the shareholders an allotment of one common share of the Holding Company for each common share of the Company held by them, in order not to cause any disadvantage to the shareholders as the first priority. For this reason, no calculation of the share transfer ratio has been conducted by a third-party institution.

The number of new shares to be delivered by the Holding Company upon the Share Transfer is expected to be 41,180,306 shares. However, if the total number of outstanding shares of the Company changes prior to the Share Transfer becoming effective, the above number of new shares to be delivered by the Holding Company will change. The shares of the Company will also be allotted and delivered with regard to the treasury shares held by the Company as of the effective time of the Share Transfer.

2) Matters concerning the appropriateness of the amount of capital and reserves

The amount of capital and reserves of the Holding Company is determined within the scope of laws and regulations, and is judged to be appropriate in light of the purpose and scale of the Holding Company and its capital policy, etc., after its establishment.

(2) Matters concerning wholly owned subsidiaries in share transfer

There are currently no events that will materially affect the status of the Company's assets, such as the disposal of significant assets or the incurrence of significant liabilities after the end of the last fiscal year.

5. Matters Concerning Persons Who Will Be Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) of the Holding Company

The persons who will be Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Holding Company are as follows. The “Company” in this section refers to NIPPON KANZAI Co., Ltd.

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Takeshi Fukuda (September 6, 1940)	October 1965 Established the Company and assumed the position of President and Representative Director August 1972 Established NIPPON KANZAI Service Co., Ltd. and assumed the position of President and Representative Director December 1978 Established Three-S Co., Ltd. and assumed the position of President and Representative Director (current position) April 2002 Chairman and Representative Director, NKS Co., Ltd. April 2008 Chairman and Representative Director, the Company (current position)	949,008 949,008
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Takeshi Fukuda has been involved in the overall management of the Group and currently serves as Chairman and Representative Director, where he provides strong leadership to the Group and supervises the execution of business operations. He is well versed in the industry and the Company’s business, and has a high level of knowledge and judgment based on his extensive experience. Therefore, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>		
Shintaro Fukuda (June 29, 1965)	March 1998 Joined the Company and assumed the position of Chief Information Officer June 1998 Director and Chief Information Officer June 1999 Managing Director, in charge of Planning August 2002 President and Representative Director, Japan Property Solutions, Ltd. October 2002 Corporate Strategy Planning Department and Information System Department. June 2005 Chairman, Japan Property Solutions, Ltd. October 2006 Director, Nippon Service Master Y.K. (current position) April 2008 President and Representative Director, the Company (current position)	2,066,802 2,066,802
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Shintaro Fukuda has promoted business expansion and management reforms at the Company, and is currently leading the Group under his strong leadership as President and Representative Director. He is well versed in the industry and the Company’s business, and has a high level of knowledge and foresight based on his extensive experience. Therefore, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>		

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Mamoru Yasuda (June 18, 1955)	April 1981	Joined the Company	
	June 2004	Director, Head of Corporate Strategy Planning Department	
	February 2007	Managing Director, Deputy Head in charge of Eastern Japan, Marketing Supervising Division	
	June 2011	Senior Managing Director, in charge of Corporate Strategy Planning, in charge of Group Company Management Efficiency Improvement	
	April 2012	Senior Managing Director, Head of General Administration Supervising Division	
	June 2019	President and Representative Director, NKJ Holdings Co., Ltd.	
	July 2020	Senior Managing Director, in charge of Business Management, the Company	40,326
	December 2020	Senior Managing Director, in charge of Business Management, in charge of Human Resources and Executive Secretariat	40,326
	August 2021	Senior Managing Director, in charge of Business Management, in charge of Human Resources and Executive Secretariat, in charge of Corporate Strategy Planning, in charge of Overseas Business (current position)	
	October 2021	President, NIPPON KANZAI USA, Inc. (current position)	
May 2022	President and Representative Director, Nippon Kanzai Housing Management Co., Ltd. (current position) President and Representative Director, Japan Housing Management Co., Ltd. (current position) President and Representative Director, NJK Staff Service Co., Ltd. (current position)		
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Mamoru Yasuda has extensive knowledge and practical experience from his involvement in the Company's operations in various sections, including the sales section, building management and operations section, and administration section. Currently, he is in charge of Business Management and Human Resources, as well as Corporate Strategy Planning and Overseas Business, where he manages and supervises the Group across the board to realize medium- to long-term management strategies from a broad perspective. Based on his high-level knowledge of the Company's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>			

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Yoshikazu Tokuyama (December 3, 1956)	April 1979 June 2010 June 2011 October 2011 December 2013 April 2017 May 2022	Joined the Company President and Representative Director, Japan Environmental Solutions, Ltd. (current position) Senior Managing Director, in charge of Sales Section, the Company President and Representative Director, FCH Partners K.K. Senior Managing Director, in charge of Corporate Strategy, the Company Senior Managing Director, Head of Engineering Supervising Division (current position) President and Representative Director, Nippon Kanzai Environment Service Co., Ltd. (current position)	 7,900 7,900
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Yoshikazu Tokuyama has a wide range of extensive practical experience from his involvement in the sales, planning, and engineering sections. He currently oversees the Company's engineering, procurement, and quality control sections. Based on his high-level knowledge of the Company's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>			
Kunio Takahashi (October 11, 1954)	June 2010 June 2012 December 2013 June 2014 April 2017 June 2017 December 2018 April 2020 April 2022	Managing Director stationed in Tokyo, the Company Senior Managing Director, Head of Engineering Supervising Division Senior Managing Director, Head of Property Service Supervising Division Vice President and Representative Director, Jyoetsu Civic Service Co., Ltd. Senior Managing Director, Head of Marketing Supervising Division, the Company President and Representative Director, FCH Partners K.K. (current position) President and Representative Director, Oita Station South Community Service K.K. (current position) President and Representative Director, Sawara Green Terrace K.K. (current position) President and Representative Director, Fukuoka Culture Base K.K. (current position) Senior Managing Director, Head of Property Service Supervising Division, the Company (current position)	 2,800 2,800
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Kunio Takahashi has been involved in the Company's management based on his extensive practical experience in the financial industry and currently oversees the Company's building management and operations section. Based on his high-level knowledge of the Company's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>			

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Naoki Furuya (January 27, 1956)	March 1981 June 2009 April 2010 June 2011 April 2012 December 2013 April 2015 June 2015 April 2022	Joined the Company Director, Head in charge of Eastern Japan, Property Service Supervising Division Director, in charge of Business Section Vice President and Representative Director, Jyoetsu Civic Service Co., Ltd. Director, Head of Property Service Supervising Division, the Company Director, in charge of Human Resources, Executive Secretariat, and Public Relations President and Representative Director, Nippon Kanzai Environment Service Co., Ltd. Resigned from Director of the Company In charge of Group Companies, the Company (current position)	21,100 21,100
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Naoki Furuya has extensive practical experience, mainly in the building management and operations section and corporate section of the Company, and in recent years has been involved in overall management as a Representative Director of a Group company. Based on his high-level knowledge of the Company's and Group's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>			

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Yasuhiro Harada (February 20, 1960)	<p>June 1982 Joined the Company</p> <p>June 2011 Director, Head of Finance & Accounting Department</p> <p>April 2015 Director, in charge of Performance Management, Head of Performance Management Department, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>April 2017 Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>June 2017 Managing Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>April 2018 Managing Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Deputy Head of General Administration Supervising Division</p> <p>April 2020 Managing Director, in charge of Finance & Accounting Supervision, General Planning, and Internal Control, General Administration Supervising Division, Deputy Head of General Administration Supervising Division</p> <p>July 2020 Managing Director, Head of General Administration Division (current position)</p> <p>April 2021 President, NIPPON KANZAI USA, Inc.</p>	<p>31,346</p> <p>31,346</p>
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Yasuhiro Harada has extensive practical experience in the accounting and finance section and currently oversees the Company's administrative sections. Based on his high-level knowledge of the Company's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>		

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Masahiro Wakamatsu (May 11, 1961)	February 1985 Joined the Company	
	June 2014 Director, in charge of Engineering and Procurement, Property Service Supervising Division, Head of Engineering Management Division	
	April 2016 Director, in charge of Engineering, Procurement, and Quality Operations Management, Property Service Supervising Division, Head of Engineering Management Division	
	April 2017 Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan, Head of Marketing Department (Eastern Japan)	6,964
	April 2018 Managing Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan and Central Japan	6,964
	April 2019 Managing Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan and Central Japan, in charge of PPP & PFI	
	June 2021 President and Representative Director, NS Corporation Co., Ltd. (current position)	
	April 2022 Managing Director, Head of Marketing Supervising Division (current position)	
<p>[Reasons for nomination as a candidate for Director (excluding Directors who are Audit & Supervisory Committee Members)]</p> <p>Mr. Masahiro Wakamatsu has extensive experience and knowledge of the front-line from his involvement in the building management and operations sector, and is currently overseeing sales nationwide, including developing new clients and strengthening relationships with important clients. Based on his high-level knowledge of the Company's business, the Company has determined that he is qualified to serve as a Director of the Holding Company in order to continuously improve the corporate value of the Group.</p>		

(Notes)

1. The candidate for Director, Mr. Takeshi Fukuda, concurrently serves as President and Representative Director of Three-S Co., Ltd. and there is a business relationship between the Company and Three-S Co., Ltd., including business transactions (management guidance fees and provision of services) and receipt of rental fees. A similar business relationship may continue to exist between the Holding Company and Three-S Co., Ltd.
2. The candidate for Director, Mr. Shintaro Fukuda, concurrently serves as Director of Nippon Service Master Co., Ltd. and there is a business relationship between the Company and Nippon Service Master Co., Ltd., including payment of insurance premiums and receipt of administration fees. A similar business relationship may continue to exist between the Holding Company and Nippon Service Master Co., Ltd.
3. The candidate for Director, Mr. Kunio Takahashi, concurrently serves as President and Representative Director of FCH Partners Co., Ltd., Oita Station South Community Service Co., Ltd., Sawara Green Terrace Co., Ltd., and Fukuoka Culture Base Co., Ltd. and there is a business relationship between the Company and each company through the provision of services. A similar business relationship may continue to exist between the Holding Company and each company.
4. The candidate for Director, Mr. Masahiro Wakamatsu, concurrently serves as President and Representative Director of NS Corporation Co., Ltd. and there is a business relationship (management guidance fees and provision of services) between the Company and NS Corporation Co., Ltd. A similar business relationship may continue to exist between the Holding Company and NS Corporation Co., Ltd.
5. There are no special business relationships between other candidates for Director and the Company, and no special business relationships are expected to arise with the Holding Company after the establishment of the Holding Company.
6. If the Holding Company is established, the Holding Company plans to enter into a directors and officers liability insurance (D&O insurance) agreement with an insurance company that will cover each of the candidates. Under such insurance agreement, the Holding Company will cover the damages and legal costs that would be incurred by the insured, and the Holding Company will bear all premiums for the insured.
7. The number of shares of the Company held by each candidate for Director is based on their ownership status as of March 31, 2022. The number of shares of the Holding Company to be allocated is based on such ownership status,

taking into consideration the share transfer ratio. The actual number of shares of the Holding Company to be allocated may vary depending on the ownership status immediately prior to the date of incorporation of the Holding Company.

6. Matters Concerning Persons Who Will Be Directors Who Are Audit & Supervisory Committee Members of the Holding Company

The persons who will be Directors who are Audit & Supervisory Committee Members of the Holding Company are as follows. The ‘‘Company’’ in this section refers to NIPPON KANZAI Co., Ltd.

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Shingo Inui (November 25, 1967)	April 1990 Joined Mitsui O.S.K. Lines, Ltd. February 1995 Joined Lorentzen & Stemoco AS (Oslo) July 1996 Joined Inui Global Logistics Co., Ltd. June 2000 Director, General Manager, Sales Department June 2001 Representative Director and President June 2014 Chairman October 2014 Counselor October 2016 Advisor (current position) June 2017 Director and (Outside) Audit & Supervisory Committee Member, the Company (current position) January 2020 Representative Director, Kenko Kaiun Co., Ltd. (current position) January 2022 Advisor, PALTAC CORPORATION (current position)	0 0
[Reasons for nomination as a candidate for Director who is an Audit & Supervisory Committee Member] Mr. Shingo Inui has five years of experience as a Director and (Outside) Audit & Supervisory Committee Member of the Company and has abundant experience and broad knowledge of corporate management. After his appointment, the Company expects that he will continue to advise and supervise the management of the Group, mainly from a managerial perspective. Therefore, the Company has determined that he is qualified to serve as a Director and (Outside) Audit & Supervisory Committee Member of the Holding Company in order to continuously improve the corporate value of the Group.		
Yoshiro Yamashita (April 12, 1965)	April 1988 Joined Toyo Trust and Banking Company, Limited (currently Mitsubishi UFJ Trust and Banking Corporation) August 2000 Director, Kashiwa Co., Ltd. August 2002 Representative Director June 2007 Audit & Supervisory Board Member, the Company March 2013 Chairman, SEAMATE Inc. (current position) June 2015 Director and (Outside) Audit & Supervisory Committee Member, the Company (current position) June 2018 Outside Audit & Supervisory Board Member, Onomichi Dockyard Co., Ltd. (current position)	0 0
[Reasons for nomination as a candidate for Director who is an Audit & Supervisory Committee Member] Mr. Yoshiro Yamashita has seven years of experience as a Director and (Outside) Audit & Supervisory Committee Member of the Company and has abundant experience and broad knowledge of corporate management. After his appointment, the Company expects that he will continue to advise and supervise the management of the Group, mainly from a managerial perspective. Therefore, the Company has determined that he is qualified to serve as a Director and (Outside) Audit & Supervisory Committee Member of the Holding Company in order to continuously improve the corporate value of the Group.		

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Upper row: Number of shares of the Company held Lower row: Number of shares of the Holding Company to be allocated
Kota Kosuga (December 19, 1966)	June 1994 June 2004 June 2006 November 2008 April 2009 June 2011 June 2015	Joined K.K. KOSUGA Director of K.K. KOSUGA Senior Managing Director Resigned from Director of K.K. KOSUGA Established K.K. KOSUGA-no-Kagu and assumed the position of Representative Director (current position) Audit & Supervisory Board Member, the Company Director and (Outside) Audit & Supervisory Committee Member (current position)	0 0
<p>[Reasons for nomination as a candidate for Director who is an Audit & Supervisory Committee Member] Mr. Kota Kosuga has seven years of experience as a Director and (Outside) Audit & Supervisory Committee Member of the Company and has abundant experience and broad knowledge of corporate management. After his appointment, the Company expects that he will continue to advise and supervise the management of the Group, mainly from a managerial perspective. Therefore, the Company has determined that he is qualified to serve as a Director and (Outside) Audit & Supervisory Committee Member of the Holding Company in order to continuously improve the corporate value of the Group.</p>			
Takako Okada (September 11, 1965)	October 1992 September 2004 October 2012 January 2019 June 2019 March 2020 June 2021	Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Transferred to Tohmatsu Tax Co. (currently Deloitte Tohmatsu Tax Co.) Partner Established Takako Okada Certified Public Accountant and Tax Accountant Office and assumed the position of Representative (current position) Audit & Supervisory Board Member, Ichikawa Co., Ltd. (current position) Auditor, Kenedix, Inc. Corporate Auditor, Kenedix Real Estate Fund Management, Inc. Director and (Outside) Audit & Supervisory Committee Member (current position)	0 0
<p>[Reasons for nomination as a candidate for Director who is an Audit & Supervisory Committee Member] Ms. Takako Okada has one year of experience as a Director and (Outside) Audit & Supervisory Committee Member of the Company and has professional knowledge and abundant experience as a certified public accountant and tax accountant. After her appointment, the Company expects that she will continue to use her wealth of knowledge as a specialist to provide advice and supervision to the management of the Group. Therefore, the Company has determined that she is qualified to serve as a Director and (Outside) Audit & Supervisory Committee Member of the Holding Company in order to continuously improve the corporate value of the Group.</p>			

(Notes)

1. There are no special business relationships between the candidates for Directors who are Audit & Supervisory Committee Members and the Company, and no special business relationships are expected to arise with the Holding Company after the establishment of the Holding Company.
2. Candidates for Directors who are Audit & Supervisory Committee Members, Mr. Shingo Inui, Mr. Yoshiro Yamashita, Mr. Kota Kosuga, and Ms. Takako Okada, are candidates for Outside Directors.
3. Candidates for Outside Directors, Mr. Shingo Inui, Mr. Yoshiro Yamashita, Mr. Kota Kosuga, and Ms. Takako Okada, are candidates for independent officers as stipulated by the Tokyo Stock Exchange.
4. If the Holding Company is established, the Holding Company plans to enter into a directors and officers liability insurance (D&O insurance) agreement with an insurance company that will cover each of the candidates. Under such insurance agreement, the Holding Company will cover the damages and legal costs that would be incurred by the insured, and the Holding Company will bear all premiums for the insured.
5. The Company has entered into liability limitation agreements with each of Mr. Shingo Inui, Mr. Yoshiro Yamashita, Mr. Kota Kosuga, and Ms. Takako Okada under Article 427, Paragraph 1 of the Companies Act, and the Holding Company plans to enter into new liability limitation agreements with each of them after the establishment of the Holding Company. The maximum amount of liability of Directors who are Audit & Supervisory Committee Members under

these agreements is the sum of the amounts stipulated in Article 425, Paragraph 1 of the Companies Act.

6. The number of shares of the Company held by each candidate for Director who is an Audit & Supervisory Committee Member is based on their ownership status as of March 31, 2022. The number of shares of the Holding Company to be allocated is based on such ownership status, taking into consideration the share transfer ratio. The actual number of shares of the Holding Company to be allocated may vary depending on the ownership status immediately prior to the date of incorporation of the Holding Company.

7. Matters Concerning the Company Who Will Be the Accounting Auditor of the Holding Company

The company who will be the Accounting Auditor of the Holding Company is as follows.

(As of June 30, 2021)

Name	PricewaterhouseCoopers Aarata LLC		
Location of principal place of business	Otemachi Park Building, 1-1-1 Otemachi, Chiyoda-ku, Tokyo		
History	June 2006	Establishment of PricewaterhouseCoopers Aarata as a member firm in Japan of PricewaterhouseCoopers (PwC)	
	July 2006	Commencement of operations	
	July 2015	Changed the corporate name in Japanese from “Aarata Kansa Hojin” to “PwC Aarata Kansa Hojin.”	
	July 2016	Converted to a limited liability audit corporation. Changed the corporate name to “PwC Aarata Yugen Sekinin Kansa Hojin” (English name: PricewaterhouseCoopers Aarata LLC).	
	Number of members	Partners (certified public accountants and specified partners)	168
Certified public accountants		892	persons
Persons who passed the certified public accountant examination, etc.		578	persons
Audit assistants		1,237	persons
Other administrative staff		133	persons
Total		3,008	persons
Number of audited companies	Audit certification services	1,158	companies
	Non-audit certification services	1,205	companies
Capital	1.0 billion yen		
Offices	Tokyo, Nagoya, Osaka, Fukuoka		

(Note) The reason why the Audit & Supervisory Committee of the Company has nominated PricewaterhouseCoopers Aarata LLC as a candidate for the Accounting Auditor is that the Audit & Supervisory Committee believes that the firm is professional, independent, and appropriate, and has a system in place to ensure that audits of the Holding Company are conducted properly and appropriately.

Proposal 3: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

In order to facilitate administrative procedures related to the convocation, etc. of the Ordinary General Meeting of Shareholders, the Company has stipulated provisions related to the record date for voting rights at the Ordinary General Meeting of Shareholders in Article 12 of its Articles of Incorporation pursuant to Article 124, Paragraph 3 of the Companies Act. However, if Proposal 2 “Approval of Share Transfer Plan” is approved and the share transfer (the “Share Transfer”) is implemented as of April 3, 2023 (scheduled), the Company will have only one shareholder, the Holding Company, and the provisions regarding the record date for voting rights at the Ordinary General Meeting of Shareholders will lose their necessity. Accordingly, the Company proposes to abolish the record date system for voting rights at the Ordinary General Meeting of Shareholders, delete Article 12 (Record Date), and move up Article 13 and the following articles by one article.

This amendment to the Articles of Incorporation will become effective on March 31, 2023, provided that Proposal 2 “Approval of Share Transfer Plan” is approved as proposed, the share transfer agreement relating to the Share Transfer has not lost its effect by the day before March 31, 2023, and the Share Transfer has not been canceled.

2. Description of the amendments

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendment
<p>Articles 1 to 11 (Omitted)</p> <p>(Record Date)</p> <p><u>Article 12. The Company shall deem the shareholders with voting rights whose names appear or are recorded in the latest shareholders’ register as of March 31 of each year to be the shareholders entitled to exercise their rights at the Ordinary General Meeting of Shareholders relating to that fiscal year.</u></p> <p><u>2. Notwithstanding the preceding Paragraph, the Company may, if necessary, by a resolution of the Board of Directors and upon giving prior public notice, deem the shareholders or registered share pledgees whose names appear or are recorded in the latest shareholders’ register as of a certain date to be the shareholders or registered share pledgees entitled to exercise their rights.</u></p>	<p>Articles 1 to 11 (Omitted)</p> <p>(Deleted)</p>
<p>Articles 13 to 46 (Omitted)</p>	<p>Articles <u>12</u> to <u>45</u> (Unchanged)</p>
<p>SUPPLEMENTARY PROVISIONS (Omitted)</p>	<p>SUPPLEMENTARY PROVISIONS (Unchanged)</p>

(Reference)

Dividends of surplus (Year-end Dividends) for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023) will be paid by the Company to shareholders or registered share pledgees whose names appear or are recorded in the latest shareholders’ register as of March 31, 2023, in accordance with Article 43 (Year-end Dividends) of the Articles of Incorporation after amendment.

Proposal 4: Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The term of office of all Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of eight (8) Directors (excluding Directors who are Audit & Supervisory Committee Members) is proposed.

With respect to this proposal, the appointment of candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) was deliberated by the Audit & Supervisory Committee and it was determined that the candidates are suitable for the position.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Takeshi Fukuda (September 6, 1940)	October 1965	949,008
		Established the Company and assumed the position of President and Representative Director	
August 1972	Established NIPPON KANZAI Service Co., Ltd. and assumed the position of President and Representative Director		
December 1978	Established Three-S Co., Ltd. and assumed the position of President and Representative Director (current position)		
April 2002	Chairman and Representative Director, NKS Co., Ltd.		
April 2008	Chairman and Representative Director, the Company (current position)		
[Reasons for nomination] Mr. Takeshi Fukuda has been involved in the overall management of the Group and currently serves as Chairman and Representative Director, where he provides strong leadership to the Group and supervises the execution of business operations. He is well versed in the industry and the Company's business, and has a high level of knowledge and judgment based on his extensive experience. Therefore, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.			
2	Shintaro Fukuda (June 29, 1965)	March 1998	2,066,802
		Joined the Company and assumed the position of Chief Information Officer	
June 1998	Director and Chief Information Officer		
June 1999	Managing Director, in charge of Planning		
August 2002	President and Representative Director, Japan Property Solutions, Ltd.		
October 2002	Corporate Strategy Planning Department and Information System Department.		
June 2005	Chairman, Japan Property Solutions, Ltd.		
October 2006	Director, Nippon Service Master Y.K. (current position)		
April 2008	President and Representative Director, the Company (current position)		
[Reasons for nomination] Mr. Shintaro Fukuda has promoted business expansion and management reforms at the Company, and is currently leading the Group under his strong leadership as President and Representative Director. He is well versed in the industry and the Company's business, and has a high level of knowledge and foresight based on his extensive experience. Therefore, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Mamoru Yasuda (June 18, 1955)	<p>April 1981 Joined the Company</p> <p>June 2004 Director, Head of Corporate Strategy Planning Department</p> <p>February 2007 Managing Director, Deputy Head in charge of Eastern Japan, Marketing Supervising Division</p> <p>June 2011 Senior Managing Director, in charge of Corporate Strategy Planning, in charge of Group Company Management Efficiency Improvement</p> <p>April 2012 Senior Managing Director, Head of General Administration Supervising Division</p> <p>June 2019 President and Representative Director, NKJ Holdings Co., Ltd.</p> <p>July 2020 Senior Managing Director, in charge of Business Management, the Company</p> <p>December 2020 Senior Managing Director, in charge of Business Management, in charge of Human Resources and Executive Secretariat</p> <p>August 2021 Senior Managing Director, in charge of Business Management, in charge of Human Resources and Executive Secretariat, in charge of Corporate Strategy Planning, in charge of Overseas Business (current position)</p> <p>October 2021 President, NIPPON KANZAI USA, Inc. (current position)</p> <p>May 2022 President and Representative Director, Nippon Kanzai Housing Management Co., Ltd. (current position) President and Representative Director, Japan Housing Management Co., Ltd. (current position) President and Representative Director, NJK Staff Service Co., Ltd. (current position)</p>	40,326
<p>[Reasons for nomination]</p> <p>Mr. Mamoru Yasuda has extensive knowledge and practical experience from his involvement in the Company's operations in various sections, including the sales section, building management and operations section, and administration section. Currently, he is in charge of Business Management and Human Resources, as well as Corporate Strategy Planning and Overseas Business, where he manages and supervises the Group across the board to realize medium- to long-term management strategies from a broad perspective. Based on his high-level knowledge of the Company's business, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.</p>			
4	Yoshikazu Tokuyama (December 3, 1956)	<p>April 1979 Joined the Company</p> <p>June 2010 President and Representative Director, Japan Environmental Solutions, Ltd. (current position)</p> <p>June 2011 Senior Managing Director, in charge of Sales Section, the Company</p> <p>October 2011 President and Representative Director, FCH Partners K.K.</p> <p>December 2013 Senior Managing Director, in charge of Corporate Strategy, the Company</p> <p>April 2017 Senior Managing Director, Head of Engineering Supervising Division (current position)</p> <p>May 2022 President and Representative Director, Nippon Kanzai Environment Service Co., Ltd. (current position)</p>	7,900
<p>[Reasons for nomination]</p> <p>Mr. Yoshikazu Tokuyama has a wide range of extensive practical experience from his involvement in the sales, planning, and engineering sections. He currently oversees the Company's engineering, procurement, and quality control sections. Based on his high-level knowledge of the Company's business, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
5	Kunio Takahashi (October 11, 1954)	June 2010	Managing Director stationed in Tokyo, the Company	2,800
		June 2012	Senior Managing Director, Head of Engineering Supervising Division	
December 2013		Senior Managing Director, Head of Property Service Supervising Division		
June 2014		Vice President and Representative Director, Jyoetsu Civic Service Co., Ltd.		
April 2017		Senior Managing Director, Head of Marketing Supervising Division, the Company		
June 2017		President and Representative Director, FCH Partners K.K. (current position)		
		President and Representative Director, Oita Station South Community Service K.K. (current position)		
December 2018		President and Representative Director, Sawara Green Terrace K.K. (current position)		
April 2020		President and Representative Director, Fukuoka Culture Base K.K. (current position)		
	April 2022	Senior Managing Director, Head of Property Service Supervising Division, the Company (current position)		
[Reasons for nomination] Mr. Kunio Takahashi has been involved in the Company's management based on his extensive practical experience in the financial industry and currently oversees the Company's building management and operations section. Based on his high-level knowledge of the Company's business, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.				
6	Naoki Furuya (January 27, 1956) [New appointment]	March 1981	Joined the Company	21,100
		June 2009	Director, Head in charge of Eastern Japan, Property Service Supervising Division	
April 2010		Director, in charge of Business Section		
June 2011		Vice President and Representative Director, Jyoetsu Civic Service Co., Ltd.		
April 2012		Director, Head of Property Service Supervising Division, the Company		
December 2013		Director, in charge of Human Resources, Executive Secretariat, and Public Relations		
April 2015		President and Representative Director, Nippon Kanzai Environment Service Co., Ltd.		
June 2015		Resigned from Director of the Company		
April 2022		In charge of Group Companies, the Company (current position)		
[Reasons for nomination] Mr. Naoki Furuya has extensive practical experience, mainly in the building management and operations section and corporate section of the Company, and in recent years has been involved in overall management as a Representative Director of a Group company. Based on his high-level knowledge of the Company's and Group's business, the Company has determined that he is qualified as a candidate for Director in order to continuously improve the corporate value of the Group.				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Yasuhiro Harada (February 20, 1960)	<p>June 1982 Joined the Company</p> <p>June 2011 Director, Head of Finance & Accounting Department</p> <p>April 2015 Director, in charge of Performance Management, Head of Performance Management Department, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>April 2017 Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>June 2017 Managing Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Head of Finance & Accounting Department, General Administration Supervising Division</p> <p>April 2018 Managing Director, in charge of General Planning, Group Company Supervision, and Consolidated and Non-consolidated Business Performance Management, Deputy Head of General Administration Supervising Division</p> <p>April 2020 Managing Director, in charge of Finance & Accounting Supervision, General Planning, and Internal Control, General Administration Supervising Division, Deputy Head of General Administration Supervising Division</p> <p>July 2020 Managing Director, Head of General Administration Division (current position)</p> <p>April 2021 President, NIPPON KANZAI USA, Inc.</p>	31,346
<p>[Reasons for nomination]</p> <p>Mr. Yasuhiro Harada has extensive practical experience in the accounting and finance section and currently oversees the Company's administrative sections. Based on his high-level knowledge of the Company's business, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.</p>			
8	Masahiro Wakamatsu (May 11, 1961)	<p>February 1985 Joined the Company</p> <p>June 2014 Director, in charge of Engineering and Procurement, Property Service Supervising Division, Head of Engineering Management Division</p> <p>April 2016 Director, in charge of Engineering, Procurement, and Quality Operations Management, Property Service Supervising Division, Head of Engineering Management Division</p> <p>April 2017 Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan, Head of Marketing Department (Eastern Japan)</p> <p>April 2018 Managing Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan and Central Japan</p> <p>April 2019 Managing Director, Deputy Head of Marketing Supervising Division, in charge of Eastern Japan and Central Japan, in charge of PPP & PFI</p> <p>June 2021 President and Representative Director, NS Corporation Co., Ltd. (current position)</p> <p>April 2022 Managing Director, Head of Marketing Supervising Division (current position)</p>	6,964
<p>[Reasons for nomination]</p> <p>Mr. Masahiro Wakamatsu has extensive experience and knowledge of the front-line from his involvement in the building management and operations sector, and is currently overseeing sales nationwide, including developing new clients and strengthening relationships with important clients. Based on his high-level knowledge of the Company's business, the Company has determined that he remains qualified to serve as a Director in order to continuously improve the corporate value of the Group.</p>			

(Notes)

1. The candidate for Director, Mr. Takeshi Fukuda, concurrently serves as President and Representative Director of Three-S Co., Ltd. and there is a business relationship between the Company and Three-S Co., Ltd., including business transactions (management guidance fees and provision of services) and receipt of rental fees.
2. The candidate for Director, Mr. Shintaro Fukuda, concurrently serves as Director of Nippon Service Master Co., Ltd. and there is a business relationship between the Company and Nippon Service Master Co., Ltd., including payment of insurance premiums and receipt of administration fees.
3. The candidate for Director, Mr. Kunio Takahashi, concurrently serves as President and Representative Director of FCH Partners Co., Ltd., Oita Station South Community Service Co., Ltd., Sawara Green Terrace Co., Ltd., and Fukuoka Culture Base Co., Ltd. and there is a business relationship between the Company and each company through the provision of services.
4. The candidate for Director, Mr. Masahiro Wakamatsu, concurrently serves as President and Representative Director of NS Corporation Co., Ltd. and there is a business relationship (management guidance fees and provision of services) between the Company and NS Corporation Co., Ltd.
5. There are no special business relationships between other candidates for Director and the Company.
6. The Company has entered into a directors and officers liability insurance (D&O insurance) agreement with the following outline, which is scheduled to be renewed in July 2022. All of the candidates in this proposal, except for Mr. Naoki Furuya, are already insured under the said insurance agreement and will continue to be insured after their election. Mr. Naoki Furuya will be newly insured after his appointment.
 - (1) Actual ratio of premiums borne by the insured
The Company bears the premiums, including the rider portion, and there is no actual premium borne by the insured.
 - (2) Outline of insured accidents subject to compensation
The insurance agreement, including the rider portion, provides coverage for damages that may arise as a result of the insured officers, etc., being held liable for the performance of his/her duties or being subject to a claim of such liability. However, there are certain exclusions of liability, such as in the case of acts committed with the knowledge that the acts are in violation of laws and regulations.