

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation. Accordingly, any peripheral document such as “Guidance to the Exercise of Voting Right via the Internet” or any other form or document that is referred to in this translated information is omitted.

(Securities Code 8616)

June 7, 2024

To Our Shareholders

Tateaki Ishida
Chairman and Representative Director
Tokai Tokyo Financial Holdings, Inc.
5-1 Nihonbashi 2-chome,
Chuo-ku, Tokyo, Japan

NOTICE OF CONVOCAION OF THE 112TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders

We hereby inform you that we will hold the 112th Ordinary General Meeting of Shareholders of Tokai Tokyo Financial Holdings, Inc. (the “Company”), under the schedule described below.

To provide the information for the convocation of the Ordinary General Meeting of Shareholders, the Company adopts electronic notice measures. The information is posted in the “Notice of Convocation of the 112th Ordinary General Meeting of Shareholders” and “Other Matters Subject to Electronic Provision Measures (Matters to be Omitted in Documents to be Delivered) for the 112th Ordinary General Meeting of Shareholders” on the following website. Please access one of the following websites to confirm the information.

Company website

<https://www.tokaitokyo-fh.jp/investors/stock/meeting/>



In addition to the above, the information is also available on the following website.

Tokyo Stock Exchange website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the above website, enter and search our Company name or Securities Code (8616), and select “Basic information” and “Documents for public inspection/PR information” in that order.



Nagoya Stock Exchange website

<https://www.nse.or.jp/listing/search/>

Please access the above website, enter and search our Company name or Securities Code (8616), select “Timely Disclosure Information”, and refer to the “Notice of Convocation of General Meeting of Shareholders / General Meeting of Shareholders Materials” column.



If you are not attending the meeting in person, you may exercise your voting rights over the Internet or by postal ballot. Before you vote, please review the Matters Subject to Electronic Provision Measures

or the attached Reference Documents for the Ordinary General Meeting of Shareholders and the Guide to Exercising Voting Rights (*Giketsuken kōshi hōhō ni tsuite no go-annai*; omitted from this English translation, on pages 8 to 10 of the Japanese edition). Please vote by 5:10 p.m. (the time when our business day ends) on Tuesday, June 25, 2024, Japan time.

Schedule

1. **Time and Date:** 10:00 a.m. Wednesday, June 26, 2024, Japan time
2. **Place:** 5th Floor, Midland Hall, Midland Square Office Tower,
4-7-1 Meieki, Nakamura-ku, Nagoya-shi, Aichi
(Please refer to the guide map of the venue at the end of this document.)
3. **Meeting Agenda:**
Matters to be reported:
 1. The Business Report, Consolidated Financial Statements for the Company's 112th Fiscal Year (April 1, 2023 - March 31, 2024) 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 112th Fiscal Year (April 1, 2023 - March 31, 2024)

Proposals to be resolved:

Company proposals

- Proposal No. 1:** Distribution of Retained Earnings
- Proposal No. 2:** Election of Five (5) Directors (Excluding Directors Serving on the Audit & Supervisory Committee)
- Proposal No. 3:** Election of Four (4) Directors who are Audit & Supervisory Committee Members
- Proposal No. 4:** Payment of Bonuses to Directors
- Proposal No. 5:** Issuance of Stock Acquisition Rights as Stock Options Granted to Directors and Employees of the Company and its Subsidiaries

Shareholder proposals

- Proposal No. 6:** Partial Amendment to the Articles of Incorporation: Misleading titles for Executive Officers should be eliminated to avoid mistaking them for Board Members.
- Proposal No. 7:** Partial Amendment to the Articles of Incorporation (Addition): The resignation of a Director before the expiration of his / her term of office should be clearly explained to the shareholders at the Ordinary General Meeting of Shareholders.
- Proposal No. 8:** Partial Amendment to the Articles of Incorporation (newly established): It should be prohibited to hold a “photo session for officers to use in public relations, etc.” at a luxury hotel after the General Meeting for Shareholders. Photo sessions for officers should be held at the “Company’s Orque d’or facility or a photo studio.”
- Proposal No. 9:** The ROE indicator for Tokai Tokyo Financial Holdings, Inc. should be set at 8%.
- Proposal No. 10:** Dismissal of One (1) Director (Excluding Directors Serving on the Audit & Supervisory Committee), Mr. Masanori Hayashi, Director and Deputy President.
- Proposal No. 11:** Dismissal of One (1) Director Serving on the Audit & Supervisory Committee (Mr. Kazumasa Miyazawa)

4. Matters already decided upon convocation

- (i) Among the Matters Subject to Electronic Provision Measures, in accordance with the relevant laws and regulations and the Company’s Articles of Incorporation, the following items are not included in the documents to be delivered to shareholders who have requested a print copy of documentation. The documents to be audited, including the following items have been audited by the Audit & Supervisory Committee and the accounting auditor.
 - (1) Business Report: Notes on Share Acquisition Rights
 - (2) Business Report: Mechanisms for Ensuring Sound Business Practices
 - (3) Business Report: Basic Policy of Corporation Control
 - (4) Consolidated Financial Statements: Consolidated Statements of Changes in Equity and Notes on Consolidated Financial Statements
 - (5) Non-consolidated Financial Statements: Statements of Changes in Equity and Notes to Non-Consolidated Financial Statements
- (ii) If you exercise your voting rights via both the Internet and postal ballot, the Internet vote will be treated as the valid exercise of your voting rights.
- (iii) If you exercise your voting rights more than once via the Internet, etc., the last vote that arrives at the Company will be treated as the valid vote. Also, if you exercise your voting rights multiple times via PC and smartphone, the last vote will be treated as the valid vote.
- (iv) If you do not indicate your vote for or against each proposal in the Voting Rights Exercise Form returned to us, it shall be deemed that you have indicated your vote for the Company’s proposals and that you have indicated your vote against the shareholder’s proposals.

- If any amendments are made to the Matters Subject to Electronic Provision Measures, such amendments will be posted on the respective websites listed (see page 3).
- Any changes to the operation of the General Meeting of Shareholders will be announced on our website. Please refer to the following website.
<https://www.tokaitokyo-fh.jp/investors/stock/meeting/>



Proposals and References

Company Proposals

Proposal No. 1: Distribution of Retained Earnings

The Company's basic policy is to aim for further enhancement of corporate value by stably and continuously returning dividends to shareholders, as well as by promoting “the caliber enlargement as a financial service provider,” and “Key Measures to reach the New World,” and actively working on “M&A, etc.” as included in the medium-term management plan.

The Company's shareholder dividends for the fiscal year ending March 31, 2024 and thereafter during the current medium-term management plan period (until the fiscal year ending March 31, 2027) are as follows.

- (1) Consolidated payout ratio of 50% or more
 - (2) Annual dividend of ¥24 or more per share
- The higher of (1) and (2) above shall be the dividend standard.

Based on the above policy, we, the Company, plan to distribute profits for the fiscal year under review as set out below.

With the interim dividend of ¥12.00 per share already paid, the total dividend for the fiscal year under review will be ¥28.00 per share.

Matters regarding year-end dividend

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and the total allotment amount
Ordinary dividend per share of common stock: ¥16.00
Total amount: ¥4,006,458,624
- (3) Effective date of distribution of retained earnings
June 27, 2024

Proposal No. 2: Election of Five (5) Directors (Excluding Directors Serving on the Audit & Supervisory Committee)

All five (5) Directors (excluding Directors serving on the Audit & Supervisory Committee; this also applies to the rest of the text of this Proposal) will retire as their terms of office expire at the conclusion of this General Meeting of Shareholders. Therefore, we ask you to elect five (5) Directors.

The Board of Directors resolved to submit the proposal upon the recommendation of the Nomination & Remuneration Committee. The Audit & Supervisory Committee has determined that each candidate is eligible as a Director for the Board membership.

The candidates for directorship are listed below.

Candidate No.	Name	Current position at the Company	Attendance at Board of Directors meetings during the fiscal year under review
1	<u>Reelection</u> Tateaki Ishida	Chairman and Representative Director	13/13
2	<u>New appointment</u> Masataka Sato	President	-
3	<u>New appointment</u> Naoko Kitagawa	-	-
4	<u>Reelection</u> Tsunehiro Nakayama	<u>Outside Director</u> <u>Independent Director</u>	13/13
5	<u>Reelection</u> Kazumasa Miyazawa	<u>Outside Director</u> <u>Independent Director</u>	10/10

Candidate No.1 Tateaki Ishida (Born on January 2, 1946)



Reelection

- **Type and number of the Company's shares held**
559,800 common shares
- **Attendance at Board of Directors meetings during the fiscal year under review**
13/13
- **Attendance in Nomination & Remuneration Committee during the fiscal year under review**
8/8

■ Profile (position and responsibilities at the Company)

April 1968	Joined The Tokai Bank, Ltd.
April 1992	President & CEO, Tokai Bank Europe plc
June 1994	Director, The Tokai Bank, Ltd.
June 1996	Managing Director, The Tokai Bank, Ltd.
June 1998	President, Tokai Asset Management Co., Ltd.
April 2001	Chairman, Tokai Bank Europe plc
April 2002	Chairman, UFJ International plc
April 2003	CEO, UFJ International plc
May 2004	Advisor of the Company
June 2004	Representative Director and Deputy President of the Company
March 2005	Representative Director and President of the Company
June 2006	Representative Director, President & CEO of the Company
April 2009	Representative Director, Chairman & CEO of Tokai Tokyo Securities Co., Ltd.
June 2014	Member of the Board, Nagoya Stock Exchange, Inc. (current position)
August 2016	Chairman of Tokai Tokyo Foundation (current position)
April 2019	Director of Tokai Tokyo Securities Co., Ltd. (current position)
June 2021	Representative Director and Chairman of the Company (current position)

■ The candidate also takes the following important posts

Director of Tokai Tokyo Securities Co., Ltd.
Member of the Board, Nagoya Stock Exchange
Chairman, Tokai Tokyo Foundation

■ The reason for nomination as a candidate for Director

Since Tateaki Ishida became President (Representative Director) of the Company in March 2005, he has fulfilled his duties as a Director appropriately by taking strong leadership to enhance the corporate value of the Company. We have determined that making the most of his rich experience, proven performance, and knowledge as a business manager will help the Company promote its management strategy and continuously enhance its corporate value. Therefore, we have determined that he is suitable as a Director of the Company and continued to choose him as a candidate for directorship.

Candidate No. 2 Masataka Sato (Born on January 30, 1961)



New appointment

- Type and number of the Company's shares held
131,200 common shares

■ Profile (position and responsibilities at the Company)

April 1983	Joined The Tokai Bank, Ltd.
April 2004	General Manager, Asset Finance Team, UFJ Bank Limited
April 2008	Branch Manager, Komaki Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
November 2010	Joined Tokai Tokyo Securities Co., Ltd. as Deputy Head of Investment Banking Unit
October 2011	Deputy Head of Corporate Solution Unit, Tokai Tokyo Securities Co., Ltd.
April 2012	Deputy Head of Corporate Finance Unit, Tokai Tokyo Securities Co., Ltd.
April 2013	General Manager of General Planning Department and Financial Planning Department, the Company
October 2013	Executive Officer, Deputy Head of General Planning Group, General Manager of General Planning Department, and Financial Planning Department, the Company
April 2014	Executive Officer, Deputy Head of General Planning Group, the Company
April 2015	Managing Executive Officer, Head of General Planning Group, the Company
April 2016	Managing Executive Officer, Head of Corporate Finance Unit, Tokai Tokyo Securities Co., Ltd.
April 2017	Senior Managing Executive Officer, Head of Retail Sales Unit, Tokai Tokyo Securities Co., Ltd.
April 2018	Senior Managing Executive Officer, Head of Retail Company, Tokai Tokyo Securities Co., Ltd.
April 2019	Senior Managing Executive Officer, Head of Strategic Planning Group, the Company
May 2020	Deputy President, Supervising General Planning Group, Strategic Planning Group and Digital Strategy Group, the Company
June 2020	Director and Deputy President, Supervising General Planning Group, Strategic Planning Group and Digital Strategy Group, the Company
June 2021	Representative Director and President, Tokai Tokyo Securities Co., Ltd.
April 2023	Representative Director and Chairman, Tokai Tokyo Securities Co., Ltd.
October 2023	Representative Director and Chairman of Tokai Tokyo Securities Co., Ltd. and Assistant to Chairman of the Company
April 2024	Director of Tokai Tokyo Securities Co., Ltd. (current position) President of the Company
May 2024	President and Head of Strategy Planning Group, the Company (current position)

■ The candidate also takes the following important post

Director of Tokai Tokyo Securities Co., Ltd.

■ **The reason for nomination as a candidate for Director**

At Tokai Tokyo Securities Co., Ltd., a core subsidiary of the Company, Masataka Sato has served as Representative Director and President since June 2021 and as Representative Director and Chairman since April 2023. He has cultivated experience and insight as a corporate manager with the aim of improving the corporate value of the Group. Based on this experience, he was newly appointed as President of the Company in April 2024 and has been promoting the management plan “Beyond Our Limits.” The Company has nominated him as a candidate for Director based on the judgment that he will contribute to enhancing the corporate value of the Group as the person responsible for promoting the management plan.

Candidate No. 3 Naoko Kitagawa (Born on March 9, 1968)



New appointment

- Type and number of the Company's shares held
91,400 common shares

■ Profile (position and responsibilities at the Company)

April 1990	Joined Maruman Securities Co., Ltd.
September 2005	General Manager of Komaki Branch, the Company
April 2008	General Manager of Toyota Branch, the Company
May 2011	General Manager of Sales Department II, Nagoya Branch, Tokai Tokyo Securities Co., Ltd.
April 2013	Executive Officer, Deputy General Manager of Wealth Management Division, Tokai Tokyo Securities Co., Ltd.
April 2014	Executive Officer, General Manager of Wealth Management Division, Tokai Tokyo Securities Co., Ltd.
April 2015	Managing Executive Officer, General Manager of Wealth Management Division, Tokai Tokyo Securities Co., Ltd.
April 2017	Senior Managing Executive Officer, assuming special assignment, the Company
May 2017	Deputy President and Executive Officer in charge of Planning, Takagi Securities Co., Ltd.
June 2017	Representative Director and Deputy President, Head of Planning & Administration Unit, Takagi Securities Co., Ltd.
September 2019	Senior Managing Executive Officer in charge of General Planning Group, the Company
April 2021	Senior Managing Executive Officer, Deputy Head of Global Market Company, Tokai Tokyo Securities Co., Ltd.
April 2022	Deputy President, Head of Global Market Company, Tokai Tokyo Securities Co., Ltd.
April 2023	Representative Director and President, Tokai Tokyo Securities Co., Ltd. (current position)

■ The candidate also takes the following important post

Representative Director and President, Tokai Tokyo Securities Co., Ltd.

■ The reason for nomination as a candidate for Director

Naoko Kitagawa has served as Representative Director and President of Tokai Tokyo Securities Co., Ltd., a core subsidiary of the Company, since April 2023. She has been engaged in a wide range of businesses including the retail division, wealth management division, corporate planning division and market division in the Company and the Group, and has extensive knowledge and experience in all areas of business. The Company has nominated her as a candidate for Director because she has been actively promoting business strategies, etc. for the future growth of the Company and the Group, and performing her duties appropriately, and it has been determined that she will contribute to the improvement of the corporate value of the Group.

Candidate No. 4 Tsunehiro Nakayama (Born on January 20, 1948)



Reelection

Outside Director

Independent Director

- **Type and number of the Company's shares held**
None
- **Length of service as an Outside Director (at the conclusion of the General Meeting of Shareholders)**
Six (6) years
- **Attendance at Board of Directors meetings during the fiscal year under review**
13/13
- **Attendance in Nomination & Remuneration Committee during the fiscal year under review**
8/8

■ Profile (position and responsibilities at the Company)

April 1971	Joined The Industrial Bank of Japan, Limited
June 1999	Executive Officer and General Manager of Corporate Banking Dept. No. 1 of The Industrial Bank of Japan, Limited
September 2000	Managing Executive Officer of Mizuho Holdings Inc.
April 2002	Managing Executive Officer of Mizuho Corporate Bank, Ltd.
April 2004	Deputy President of Mizuho Corporate Bank, Ltd.
April 2007	Adviser of Merrill Lynch Japan Securities Co., Ltd
May 2007	Representative Director and Chairman of Merrill Lynch Japan Securities Co., Ltd.
November 2008	Representative Director, Chairman and President of Merrill Lynch Japan Securities Co., Ltd.
March 2009	Representative Director, Chairman and President of Merrill Lynch Japan Securities Co., Ltd. Country Executive for Japan of the Bank of America Group
July 2010	Representative Director and Chairman of Merrill Lynch Japan Securities Co., Ltd.
June 2017	Director of Merrill Lynch Japan Securities Co., Ltd.
July 2017	Special Adviser of Merrill Lynch Japan Securities Co., Ltd.
June 2018	Director of the Company
June 2019	Director of Mitsui Fudosan Co., Ltd. (current position)
June 2020	Director (Audit & Supervisory Committee Member) of the Company
June 2021	Director of the Company (current position)
May 2024	Director of Showa Nishikawa Co., Ltd. (current position)

■ The candidate also takes the following important posts

Director, Mitsui Fudosan Co., Ltd.
Director, Showa Nishikawa Co., Ltd.

■ The reason for nomination as a candidate for Outside Director, roles expected to perform

Tsunehiro Nakayama has many years of experience as a corporate manager of financial institutions, and his achievements and insight are highly acclaimed. We are confident that, if re-elected, he will duly perform the role of overseeing decision-making on important management issues and the execution of business as an Outside Director, drawing on his long years of experience in the management of a major bank and securities company and on his extensive financial expertise.

■ Independence

Tsunehiro Nakayama is a candidate for the post of Outside Director. Since he satisfies the "Independence Assessment Standard" for Outside Directors established by the Company, we have determined that there is no concern about his independence. We have notified the Tokyo Stock Exchange and the Nagoya Stock Exchange that he is an independent officer who is unlikely to have conflicts of interest with ordinary shareholders as stipulated by the two (2) exchanges.

Candidate No. 5 Kazumasa Miyazawa (Born on February 20, 1956)



Reelection

Outside Director

Independent Director

- **Type and number of the Company's shares held**
None
- **Length of service as an Outside Director (at the conclusion of the General Meeting of Shareholders)**
One (1) year
- **Attendance at Board of Directors meetings during the fiscal year under review**
10/10
- **Attendance in Nomination & Remuneration Committee during the fiscal year under review**
6/6

*Above are attendance at the Board of Directors meetings, etc. held since his appointment on June 28, 2023.

■ Profile (position and responsibilities at the Company)

April 1980	Joined Sony Corporation
April 1997	General Manager of Planning Department, IT Business Division, Sony America
April 1999	General Manager of Corporate Planning Department, IC Card Business Division, Sony Corporation
January 2001	Executive Officer and Managing Chief Strategy Officer, bitWallet, Inc.
October 2006	Lecturer, Management System Engineering, Tokyo Institute of Technology (current position)
January 2010	Executive Officer and General Manager of Planning Department, Rakuten Edy, Inc.
January 2017	Chief Operating Officer of Soramitsu Co., Ltd.
April 2020	President and Representative Director of Soramitsu Co., Ltd. (current position)
April 2020	Director of Digital Platformer Corporation
October 2021	Director of ReNet Soramitsu Financial Technology Co., Ltd. (current position)
June 2023	Director of the Company (current position)

■ The candidate also takes the following important posts

President and Representative Director, Soramitsu Co., Ltd.
Director, ReNet Soramitsu Financial Technology Co., Ltd.

■ The reason for nomination as a candidate for Outside Director, roles expected to perform

Kazumasa Miyazawa has served for many years as a corporate manager of digital-related companies, and his achievements and insight are highly regarded. The Company has nominated him as a candidate for Outside Director because it expects that he will fulfill his role as an Outside Director in decision-making on important management matters and supervision of business execution by utilizing his wealth of experience and high level of expertise in digital-related companies.

■ Independence

Kazumasa Miyazawa is a candidate for the post of Outside Director. Since he satisfies the "Independence Assessment Standard" for Outside Directors established by the Company, we have determined that there is no concern about his independence. We have notified the Tokyo Stock Exchange and the Nagoya Stock Exchange that he is an independent officer who is unlikely to have conflicts of interest with ordinary shareholders as stipulated by the two (2) exchanges.

- Notes:
1. Each candidate for Director has no special interests in the Company.
 2. In the above lists, for dates up to March 2009, “the Company” indicates Tokai Tokyo Securities Co., Ltd., the Company’s trade name at the time. For April 2009 and later dates, “the Company” indicates Tokai Tokyo Financial Holdings, Inc., the current trade name.
 3. In its Articles of Incorporation, the Company stipulates that it may enter into an agreement with its Directors (excluding those who are an Executive Director and the like) to limit their liability for compensation to the Company for damage to a certain extent. Based on this clause, in accordance with the provisions of Article 427 Paragraph 1 of the Companies Act, the Company has concluded an agreement with Tsunehiro Nakayama and Kazumasa Miyazawa to limit their liability for compensation for damage as stipulated in Article 423 Paragraph 1 of the Act (“limited liability agreement”). The Company intends to continue this limited liability agreement if their nomination is approved. The outline of the agreement is as follows.
 - If the Director (excluding those who are an Executive Director and the like) is liable for compensating the Company for the damage caused by negligence of his/her duties, he/she shall compensate up to the sum of amounts as stipulated in Article 425 Paragraph 1 Items 1(c) and 2 of the Companies Act.
 - Limited liability as referred to the above shall be accepted only if the Director (excluding those who are an Executive Director and the like) performs his/her duties with a good manager’s care and does not make a grave mistake when he/she is found liable for compensation.
 4. The Company and most of its subsidiaries use directors and officers liability insurance (D&O), as specified in Article 430-3 Paragraph 1 of the Companies Act, in order to 1) ensure that each officer can fully discharge the responsibilities of his or her office and to 2) attract talent. The D&O provides coverage for directors (including those serving on the relevant company’s audit and supervisory committee), members of the audit and supervisory board or equivalent body, and executive officers. The above candidates will be insured under the D&O if they are elected as proposed. The D&O provides indemnification for losses in cases where an insured officer is held liable, or becomes subject to legal action, for alleged wrongful acts in their official capacity. However, the D&O excludes, among other things, losses arising from intentional illegal acts. In effect, benefits are not paid to the insured party.

(All premiums on the policy, including for any special provisions, are paid by the company concerned, with the exception of some officers of subsidiaries.)

If the above candidates are elected as proposed, their D&O coverage will be renewed during their incumbency, on July 1, 2024.

Proposal No. 3: Election of Four (4) Directors who are Audit & Supervisory Committee Members

The terms of office of all four (4) Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors who are Audit & Supervisory Committee Members.

This proposal has been decided by the Board of Directors after receiving the report of the Nomination and Remuneration Committee and the consent of the Audit & Supervisory Committee.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows.

Candidate No.	Name	Current position at the Company	Attendance at Board of Directors meetings and Audit & Supervisory Committee meetings during the current fiscal year
1	<u>Reelection</u> Tetsuji Oono	Director (Full-time Audit & Supervisory Committee Member)	Board of Directors meetings: 13/13 Audit & Supervisory Committee meetings: 16/16
2	<u>Reelection</u> Joichi Yamazaki <u>Outside Director</u> <u>Independent Director</u>	Director (Audit & Supervisory Committee Member)	Board of Directors meetings: 13/13 Audit & Supervisory Committee meetings: 16/16
3	<u>Reelection</u> Ayako Ikeda <u>Outside Director</u> <u>Independent Director</u>	Director (Audit & Supervisory Committee Member)	Board of Directors meetings: 13/13 Audit & Supervisory Committee meetings: 16/16
4	<u>New appointment</u> Katsuhiko Ota <u>Outside Director</u> <u>Independent Director</u>	-	-

Candidate No. 1 Tetsuji Oono (Born on February 11, 1961)



Reelection

- **Type and number of the Company's shares held**
25,200 common shares
- **Attendance at Board of Directors meetings during the fiscal year under review**
13/13
- **Attendance in Audit & Supervisory Committee meetings during the fiscal year under review**
16/16

■ Profile (position and responsibilities at the Company)

- April 1983 Joined Maruman Securities Co., Ltd.
- December 1992 Joined Maruman Finance Co., Ltd.
- August 1996 Joined Central Capital Co., Ltd.
- July 2000 Joined the Company
- July 2003 General Manager of Corporate Development Department, Nagoya, the Company
- April 2007 General Manager of Corporate Solution Department, the Company
- April 2009 General Manager of Corporate Finance Department, Nagoya, Tokai Tokyo Securities Co., Ltd.
- April 2010 General Manager of Headquarters Sales Promotion Department and Section Head of Headquarters Sales Promotion Section, Tokai Tokyo Securities Co., Ltd.
- April 2012 General Manager of General Planning Department, the Company
- April 2013 General Manager of Corporate Sales Department (First), Tokyo, Tokai Tokyo Securities Co., Ltd.
- April 2014 General Manager of Corporate Sales Department, Tokyo, Tokai Tokyo Securities Co., Ltd.
- April 2015 General Manager of Financial Planning Department, the Company
General Manager of Finance Department, Tokai Tokyo Securities Co., Ltd.
- April 2017 Executive Officer and General Manager of Financial Planning Department, the Company
Executive Officer and General Manager of Finance Department, Tokai Tokyo Securities Co., Ltd.
- April 2019 Managing Executive Officer, Deputy Head of General Planning Group, and General Manager of General Planning Department, the Company
- May 2020 Advisor of the Company
- June 2020 Director (Full-time Audit & Supervisory Committee Member), the Company (current position)
Auditor, Tokai Tokyo Foundation (current position)

■ The candidate also takes the following important post

Auditor, Tokai Tokyo Foundation

■ The reason for nomination as a candidate for Director who is an Audit & Supervisory Committee Member

Tetsuji Oono has been engaged in a wide range of businesses including investment banking, corporate planning, and finance departments at the Company and Group companies, and has extensive knowledge and experience in all areas of business, particularly financial accounting. Based on his knowledge and experience, the Company has judged that he is suitable as a Director who is an Audit & Supervisory Committee Member in order to strengthen the effectiveness of the supervision and audit functions of the Company's management, and has nominated him as a candidate to continue serving as a Director who is an Audit & Supervisory Committee Member.

Candidate No. 2 Joichi Yamazaki (Born on January 9, 1955)



Reelection

Outside Director

Independent Director

- Type and number of the Company's shares held
None
- Length of service as an Outside Director (at the conclusion of the General Meeting of Shareholders)
Four (4) years
- Attendance at Board of Directors meetings during the fiscal year under review
13/13
- Attendance in Audit & Supervisory Committee meetings during the fiscal year under review
16/16
- Attendance in Nomination & Remuneration Committee during the fiscal year under review
8/8

■ Profile (position and responsibilities at the Company)

- April 1978 Joined the Ministry of Finance (MOF)
- May 1985 Deputy Director of the Government Debt Division, Financial Bureau, MOF
- January 1995 Counsellor at the Embassy of Japan in Korea
- July 1997 Director of the Bond Market Office, Securities Market Division, Securities Bureau, MOF
- December 1998 Director of the Financial Crisis Management Division, Executive Bureau, Financial Reconstruction Commission
- July 2000 Director, Budget Bureau (in charge of the budgets for the Ministry of Land, Infrastructure, Transport and Tourism, and the Ministry of the Environment), MOF
- December 2005 Deputy Director-General of the Planning and Coordination Bureau (in charge of the Supervision Bureau), Financial Services Agency
- July 2009 Director-General of the Tokai Local Finance Bureau
- July 2010 Director-General of the Kinki Local Finance Bureau
- July 2011 Director of the National Printing Bureau
- July 2012 Principal of the National Tax College
- February 2013 Resignation from the MOF
- March 2013 Audit and Supervisory Board Member of the Norinchukin Bank
- December 2018 Advisor of Sompo Japan Insurance Inc.
- May 2019 Full-time Audit & Supervisory Board Member of Sompo Japan DC Securities Inc.
- June 2020 Director (Audit & Supervisory Committee Member) of the Company (current position)

■ The candidate also takes the following important post

-

■ The reason for nomination as a candidate for an Outside Director who is an Audit & Supervisory Committee Member and roles expected to perform

Joichi Yamazaki has served as Deputy Director-General of the Planning and Coordination Bureau of the Financial Services Agency and Director-General of the Tokai Local Finance Bureau, etc., and his achievements and insight have been highly evaluated. The Company has nominated him as a candidate for an Outside Director who is an Audit & Supervisory Committee Member with the expectation that he will continue to utilize his experience, etc. in the supervision and audit of the Company's management.

■ Independence

Joichi Yamazaki is a candidate for an Outside Director. Since he satisfies the "Independence Assessment Standard" for Outside Directors established by the Company, we have determined that there is no concern about his independence. We have notified the Tokyo Stock Exchange and the Nagoya Stock Exchange that he is an independent officer who is unlikely

to have conflicts of interest with ordinary shareholders as stipulated by the two (2) exchanges.

Candidate No. 3 Ayako Ikeda (Born on December 5, 1959)



Reelection

Outside Director

Independent Director

- Type and number of the Company's shares held
None

- Length of service as an Outside Director (at the conclusion of the General Meeting of Shareholders)
Three (3) years

- Attendance at Board of Directors meetings during the fiscal year under review
13/13

- Attendance in Audit & Supervisory Committee meetings during the fiscal year under review
16/16

- Attendance in Nomination & Remuneration Committee during the fiscal year under review
8/8

■ Profile (position and responsibilities at the Company)

April 1984	Registered as an attorney at law and joined Daini Tokyo Bar Association Harago Law Office (currently Harago & Partners Law Offices)
January 1990	Steptoe & Johnson PLLC, in U.S.
April 1991	Qualified as a New York State attorney
September 1992	Hamada & Matsumoto (currently Mori Hamada & Matsumoto) (current position)
April 2002	Professor (civil disputes) at The Legal Training and Research Institute of Japan
April 2006	Deputy Secretary General of the Japan Federation of Bar Associations
April 2015	Executive Director of the Japan Federation of Bar Associations Vice President of the Daini Tokyo Bar Association
June 2021	Director (Audit & Supervisory Committee Member) of the Company (current position)
March 2024	Director of Tokyo Ohka Kogyo Co., Ltd. (current position)

■ The candidate also takes the following important posts

Attorney, Mori Hamada & Matsumoto
Director, Tokyo Ohka Kogyo Co., Ltd.

■ The reason for nomination as a candidate for an Outside Director who is an Audit & Supervisory Committee Member and roles expected to perform

Ayako Ikeda has abundant experience and a high level of insight and expertise through many years of professional experience as an attorney. Although she does not have firsthand experience in corporate business execution, she has served as a committee member of many government and public offices, and as a legal expert, she has played a sufficient role in strengthening the effectiveness of the decision-making and supervisory functions of the Board of Directors from a position independent from management. The Company has nominated her as a candidate for Outside Director who is an Audit & Supervisory Committee Member with the expectation that she will continue to provide proactive opinions on overall management from an objective perspective, and that she will play a role in supervising and auditing management.

■ Independence

Ayako Ikeda is a candidate for an Outside Director. Since she satisfies the "Independence Assessment Standard" for Outside Directors established by the Company, we have determined that there is no concern about her independence. We have notified the Tokyo Stock Exchange and the Nagoya Stock Exchange that she is an independent officer who is unlikely to have conflicts of interest with ordinary shareholders as stipulated by the two (2) exchanges.

Candidate No. 4 Katsuhiko Ota (Born on June 30, 1953)



New appointment

Outside Director

Independent Director

- **Type and number of the Company's shares held**
None

■ Profile (position and responsibilities at the Company)

April 1977	Joined Nippon Steel Corporation
July 1993	General Manager of Fund No. 2 Office, Fund Department, Nippon Steel Corporation
July 1994	General Manager of Fund No. 1 Office, Finance Department, Nippon Steel Corporation
July 1998	Leader of Financial Management Group, Finance Department, Nippon Steel Corporation
April 2007	Executive Officer and General Manager of Corporate Planning Department, Nippon Steel Corporation
June 2011	Managing Director, Nippon Steel Corporation
April 2013	Representative Director and Executive Vice President and Head of Global Business Development, Nippon Steel & Sumitomo Metal Corporation
June 2016	Representative Director and President, Nippon Steel & Sumikin Chemical Co., Ltd.
April 2019	Director and Senior Advisor, NIPPON STEEL Chemical & Material Co., Ltd.
June 2020	Senior Advisor, NIPPON STEEL Chemical & Material Co., Ltd.
April 2021	Councilor, Seikei Gakuen (current position)
June 2021	Advisor, NIPPON STEEL Chemical & Material Co., Ltd.
December 2023	Resigned from NIPPON STEEL Chemical & Material Co., Ltd.

■ The candidate also takes the following important post

-

■ The reason for nomination as a candidate for an Outside Director who is an Audit & Supervisory Committee Member and roles expected to perform

Katsuhiko Ota has served as a corporate manager of a major steel manufacturer for many years, and his achievements and insight have been highly evaluated. The Company has nominated him as a candidate for an Outside Director who is an Audit & Supervisory Committee Member with the expectation that he will utilize his wealth of experience and deep insight gained over many years as a manager in the industry in the supervision and audit of the Company's management.

■ Independence

Katsuhiko Ota is a candidate for an Outside Director. Since he satisfies the "Independence Assessment Standard" for Outside Directors established by the Company, we have determined that there is no concern about his independence. We have notified the Tokyo Stock Exchange and the Nagoya Stock Exchange that he is an independent officer who is unlikely to have conflicts of interest with ordinary shareholders as stipulated by the two (2) exchanges.

- (Notes)
1. Each candidate for Director has no special interests in the Company.
 2. In the above lists, for dates up to March 2009, “the Company” indicates Tokai Tokyo Securities Co., Ltd., the Company’s trade name at the time. For April 2009 and later dates, “the Company” indicates Tokai Tokyo Financial Holdings, Inc., the current trade name.
 3. In its Articles of Incorporation, the Company stipulates that it may enter into an agreement with its Directors (excluding those who are an Executive Director and the like) to limit their liability for compensation to the Company for damage to a certain extent. Based on this clause, the Company has concluded a limited liability agreement with Tetsuji Oono, Joichi Yamazaki and Ayako Ikeda. The Company intends to continue this limited liability agreement if their nomination is approved. Also, if the nomination of Katsuhiko Ota is approved, the Company plans to conclude the same limited liability agreement with him. The outline of the agreement is as follows.
 - If the Director (excluding those who are an Executive Director and the like) is liable for compensating the Company for the damage caused by negligence of his/her duties, he/she shall compensate up to the sum of amounts as stipulated in Article 425 Paragraph 1 Items 1(c) and 2 of the Companies Act.
 - Limited liability as referred to the above shall be accepted only if the Director (excluding those who are an Executive Director and the like) performs his/her duties with a good manager’s care and does not make a grave mistake when he/she is found liable for compensation.
 4. The Company and most of its subsidiaries use directors and officers liability insurance (D&O), as specified in Article 430-3 Paragraph 1 of the Companies Act, in order to 1) ensure that each officer can fully discharge the responsibilities of his or her office and to 2) attract talent. The D&O provides coverage for directors (including those serving on the relevant company’s audit and supervisory committee), members of the audit and supervisory board or equivalent body, and executive officers. The above candidates will be insured under the D&O if they are elected as proposed. The D&O provides indemnification for losses in cases where an insured officer is held liable, or becomes subject to legal action, for alleged wrongful acts in their official capacity. However, the D&O excludes, among other things, losses arising from intentional illegal acts. In effect, benefits are not paid to the insured party.

(All premiums on the policy, including for any special provisions, are paid by the company concerned, with the exception of some officers of subsidiaries.)

If the above candidates are elected as proposed, their D&O coverage will be renewed during their incumbency, on July 1, 2024.

References

Skills matrix for candidates Committee membership

Name	Title / role		Committees				Person's main professional background							
			Audit & Supervisory Committee	Nomination & Remuneration Committee	Comprehensive Risk Management Committee	Human Resources Committee	Business administration	Overseas assignment	Legal	Financial accounting	Finance economics	Administration	ICT	Sustainability
Tateaki Ishida	Chairman and Representative Director	Business Execution		○	○	○	○	○		○	○		○	○
Masataka Sato	President and Representative Director	Business Execution			○	○	○	○		○	○		○	○
Naoko Kitagawa	Director	Non-Business Execution					○				○		○	○
Tsunehiro Nakayama	Outside Director	Independent Director		○				○	○		○	○		
Kazumasa Miyazawa	Outside Director	Independent Director		○				○	○				○	○
		Non-Business Execution												
Tetsuji Oono	Director	Non-Business Execution	○							○	○			
Joichi Yamazaki	Outside Director	Independent Director	○							○		○	○	○
		Non-Business Execution												
Ayako Ikeda	Outside Director	Independent Director	○	○					○	○				
		Non-Business Execution												
Katsuhiko Ota	Outside Director	Independent Director	○	○				○	○		○	○		
		Non-Business Execution												

*The above skills matrix would apply if Proposals 2 and 3 are approved as proposed here.

Principles and Procedure for Nominating Director Candidates

Principles

We have established a set of standards for director candidates. Based on these standards, before nominating or dismissing someone as a director etc. (excluding Directors serving on the Audit & Supervisory Committee), the Board of Directors considers whether the candidate possesses the knowledge, experience, and sufficient social credibility necessary to execute the management of the Company effectively, impartially, and accurately, and whether the person has the ability to advance the level of supervision of the Company's operation. Before nominating someone as a director who is a member of the Audit & Supervisory Committee, the board considers whether the candidate possesses the knowledge, experience, and sufficient social credibility necessary to supervise the execution of duties of directors who are not members of the Audit & Supervisory Committee effectively and impartially. Before nominating someone as an outside director candidate, the board considers, in addition to the above criteria, whether the person fulfills our Independence Assessment Standard. Outside directors now account for the majority of board membership. Not only that, we retain the Nomination & Remuneration Committee to ensure impartiality and transparency in decision making processes associated with director candidates nomination.

Procedure

As per the above policy, the Board of Directors makes decisions on matters concerning the nomination of directors (excluding Directors serving on the Audit & Supervisory Committee) only after soliciting and considering the opinion of the Nomination & Remuneration Committee.

The Board of Directors makes decisions on matters concerning the nomination of Directors serving on the Audit & Supervisory Committee only after soliciting and considering the Nomination & Remuneration Committee's opinion and gaining approval of the Audit & Supervisory Committee toward the nomination.

Independence Assessment Standard of Outside Director Candidates

The Company set forth the Independence Assessment Standard to be referenced in the nomination of Independent Outside Directors and the candidate is considered not to satisfy the standard if he/she falls under any of the following cases.

1. The subject at present is currently or was in the past an Executive Director, Executive Officer or other type of employee of the Company or its important subsidiaries.
2. The subject is a major shareholder as provided for by the Article 163, Paragraph 1 of the Financial Instruments and Exchange Act (if such party is a corporation, an executive director, executive officer or other type of employee (hereinafter, collectively referred to as "Executive") of the said corporation, its parent company or any one of its important subsidiaries, at present or at any time in the past three (3) years, is included in this specific case.)
3. The subject is a party who has business transactions with the Company or its important subsidiaries as a major trading partner of the Company's (if such party is a corporation, any Executive of the said corporation, its parent company or any one of its important subsidiaries, at present or at any time in the past three (3) years, is included in this specific case.)
4. The subject is a major customer or supplier of the Company or its important subsidiaries (if such party is a corporation, any Executive of the said corporation, its parent company or any one of its important subsidiaries, at present or at any time in the past three (3) years, is included in this specific case.)
5. The subject is essential to the Company's or any of its important subsidiaries' fund procurement, such as a financial institution or other principal creditor that the Company or its subsidiary depends upon to the degree it has little or no substitute elsewhere (if such party is a corporation, any Executive of the said corporation, its parent company or any one of its important subsidiaries, at present or at any time in the past three (3) years, is included in this specific case.)
6. The subject receives a donation exceeding a certain amount (average amount over the past three (3) years of ¥10 million per year) from the Company or any of its important subsidiaries (if such party is a corporation, an Executive at present or at any time in the past three (3) years, is included in this specific case.)
7. The subject is a consultant, an accounting specialist such as a certified public accountant, or a legal expert such as a lawyer who receives a large amount of money or other assets (average amount over the past three (3) years of ¥10 million or more per year) from the Company or any of its important subsidiaries excluding the compensation paid for the service of Directors/Audit & Supervisory Board Members.
8. The subject belongs to a corporation, association, or other organization such as an accounting or law firm or a consulting firm that is a major trading partner to the Company or any of its important subsidiaries (including a person who was engaged in the related services for the Company or any of its important subsidiaries at any time in the past three (3) years).
9. The subject is an accounting auditor or an employee of accounting audit firm providing audit services to the Company or its subsidiaries (including a person who was engaged in the auditing services for the Company or any of its subsidiaries at any time in the past three (3) years).
10. The subject is an Executive of a company or its important subsidiaries for which the subsidiary of the Company serves as a lead managing underwriter (or was an Executive of the said company or subsidiary at any time in the past three (3) years).

11. The subject is a close relative of the person who falls under any of the above cases 1. through 10. (spouse, any relative within the second degree of kinship as defined under the relevant Japanese law, or any relative living together).
12. The subject has held up to now or had held in the past the position of outside officer (i.e. a board director or auditor) of the Company or any of its subsidiary for eight (8) years or longer.
13. The subject may potentially and substantially have a conflict of interest with the Company's general shareholders for a reason other than what is given in the above cases 1. through 12.

Despite any subject falling under any of the cases listed above, if the Company considers the subject suitable for the position of Independent Outside Director based on the subject's personal quality, insight or any other attribute, the Company may nevertheless nominate the subject as an Independent Outside Director, provided that the Company publicly states that the subject meets the requirements for Outside Director as defined under the Companies Act, and the Company explains why it deems that the subject is suitable for the Company's Independent Outside Director. Conversely, even if any given subject does not fall under any of the cases listed above and therefore the Company may have an option to appoint the subject as an Independent Outside Director, the Company shall not be obstructed not to select such subject as an Independent Outside Director candidate based on its comprehensive judgment.

- * "Major trading partner" means a trading partner that accounts for more than 2% of the Group's annual consolidated operating revenue in the most recent fiscal year.
- * "Major customer or supplier" refers to a party whose transaction with the Group exceed 2% of annual consolidated operating revenue for the most recent fiscal year of the Group.
- * "Its important subsidiaries" means Tokai Tokyo Securities Co., Ltd.

Proposal No. 4: Payment of Bonuses to Directors

Taking into consideration the business performance of the fiscal year under review, the Company seeks the Shareholders' approval for the payment of a total of ¥74,420,000 as bonuses to the three (3) Executive Directors as of the end of the fiscal year under review.

The Company has established a policy for determining the content of remuneration, etc. for each director. The outline of the policy is described in the Business Report "3 Company Matters related to Officers – (8) Policy on Remuneration of Directors." The Company believes the proposal is justified in that it accords with this policy.

Proposal No. 5: Issuance of Stock Acquisition Rights as Stock Options Granted to Directors and Employees of the Company and its Subsidiaries

We, the Company, seek the Shareholders' approval for the Board of Directors to issue stock acquisition rights, without consideration, as stock options (hereinafter referred to as the "Stock Acquisition Rights") to be granted to the Executive Directors and employees of the Company and its subsidiaries, and to be empowered to determine the matters relating to the subscription offer of such stock acquisition rights, in accordance with the provisions of Articles 236, 238 and 239 of the Companies Act of Japan.

As stipulated in "3 Company Matters related to Officers - (6) Notes on Stock Options for Directors" of the Business Report, the total amount of remuneration as stock options granted to Executive Directors of the Company will be the amount equal to the total number of the subject stock acquisition rights allocated multiplied by the fair value per stock acquisition right calculated at the date of allocation of the subject stock acquisition rights. Currently, the said total amount stays within the ¥300 million per year approved by a resolution of the 104th Ordinary General Meeting of Shareholders as the amount of remuneration for Directors (excluding the Directors serving on the Audit & Supervisory Committee).

The Company believes the proposal is justified in that it accords with its policy for determining remuneration for each director, which is disclosed in "3 Company Matters related to Officers - (8) Policy on Remuneration of Directors" of the Business Report.

If Proposal No. 2, Election of Five (5) Directors (Excluding Directors Serving on the Audit & Supervisory Committee) is approved as originally proposed, Proposal No. 5 will apply to the two (2) Executive Directors of the Company and one (1) Non-Executive Director of the Company who concurrently serves as an Executive Director of our subsidiary.

- (1) Reasons necessitating the subscription offer of the Stock Acquisition Rights with preferential conditions

The issuance of the Stock Acquisition Rights without consideration to the above stated parties is aimed at improving consolidated performance by providing them with the common incentive of improving the performance of the Group as a whole, while pursuing harmonization of such parties' interests with those of shareholders.

- (2) Maximum number of Stock Acquisition Rights that may be determined under the power delegation by the resolution at the Shareholders' Meeting

The maximum number will be 1,600. This maximum number of stock acquisition rights is worth 1.6 million shares of common stock (approximately 0.61% of all issued shares).

However, if an adjustment is made to the Number of Shares Granted in accordance with Paragraph (4) 1) below, such maximum issuable number of shares shall be the number obtained by multiplying the Number of Shares Granted after adjustment by the above specified maximum number of allocatable stock acquisition rights.

- (3) No payment shall be required for the Stock Acquisition Rights discussed here.

- (4) Details of the Stock Acquisition Rights

- 1) Number of shares to be issued upon exercise of the Stock Acquisition Rights

The number of shares to be issued upon exercise of each of the Stock Acquisition Rights (hereinafter the “Number of Shares Granted”) shall be 1,000 shares of common stock of the Company.

In the event the Company splits its common stock (including the gratis allotment of the Company’s common stock, the same being applied hereinafter) or consolidates its common stock after the allocation of the Stock Acquisition Rights, the number of shares granted under the Stock Acquisition Rights which have remained unexercised at the time of the stock split or stock consolidation will be adjusted in accordance with the following formula. Any fraction of less than one (1) share resulting from the adjustment shall be disregarded.

Adjusted Number of Shares Granted = Number of Shares Granted before adjustment × Ratio of split or consolidation

In addition to the above, in the event of the Company’s merger with another company, a company split, a capital reduction of the Company, or any other event in which adjustment of the Number of Shares Granted is similarly required after the allocation of the Stock Acquisition Rights, the Company may suitably adjust the Number of Shares Granted to the extent the Company considers reasonable.

- 2) The value of assets to be paid into the Company’s capital at the time of exercising the subject Stock Acquisition Rights, or the method of calculating such a value

The value of assets to be paid in at the time of exercising the Stock Acquisition Rights shall be the amount paid per share to be issued by the exercise of the Stock Acquisition Rights (hereinafter “the Exercise Price”) multiplied by the Number of Shares Granted. The Exercise Price shall be equal to the product of (*) the price determined by the following rule × (multiplied by) 1.05. Any fraction of less than one (1) yen resulting from the calculation shall be rounded up to the nearest yen.

(*) the price: (A) or (B), whichever is higher, where (A) is the monthly average of the market closing prices (excluding the day with no transaction done) of the Company stock for regular transactions at the Tokyo Stock Exchange, Inc. during the month preceding the one in which the subject Stock Acquisition Rights are allocated, and (B) is the market closing price of the Company stock on the day when the subject Stock Acquisition Rights are allocated as (if there is no said closing price for the Company stock on the day, the closing price of the closest preceding day will be taken).

If the Company splits or consolidates its common stock after the allocation date, the Exercise Price is adjusted by the following formula, and any fraction of less than one (1) yen resulting from such adjustment shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of split or consolidation}}$$

If the Company issues new shares of common stock or disposes of its treasury stocks at less than the current market price (except in the case of responding to either exercise of stock acquisition rights or request for the additional purchase of shares constituting less than one unit), then the Exercise Price shall be adjusted by the following formula, and any fraction of less than one (1) yen resulting from such adjustment shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount paid-in per share}}{\text{Current market price per share}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}}$$

In the formula above, “Number of shares already issued” is the remaining number when the total number of treasury stock of the Company is subtracted from the total number of outstanding shares of the Company. Further, if the Company disposes of its treasury stocks, “Number of shares newly issued” in the formula above shall read “Number of treasury stock disposed of,” and “Amount paid-in per share” shall read “Disposal value per share” respectively.

In addition to the foregoing, in the event of a merger of the Company with another company, a company split, a capital reduction of the Company, or any similar case in which adjustment of the Exercise Price is required after the allocation of the Stock Acquisition Rights, the Company may suitably adjust the Exercise Price to the extent the Company considers reasonable.

- 3) Exercise period for the Stock Acquisition Rights
Five (5) years from the first day of the month following the month that is two (2) years after the Stock Acquisition Rights are allocated.
- 4) Matters concerning the capital and capital reserve increased by the issuance of shares upon the exercise of the Stock Acquisition Rights
 - i) The amount of capital to be increased by the issuance of shares upon the exercise of the Stock Acquisition Rights shall be the half of the maximum limit of capital increase, as calculated in accordance with the provisions of Paragraph 1, Article 17 of the Ordinance on Accounting of Companies, and any fraction of less than one (1) yen arising as a result of such calculation shall be rounded up to the nearest one (1) yen.
 - ii) The amount of capital reserve to be increased upon the issuance of shares through the exercise of the Stock Acquisition Rights shall be the amount obtained by deducting the capital to be increased, as provided in (i) above, from the maximum limit of capital increase, as also provided in (i) above.
- 5) Restriction on the obtainment of Stock Acquisition Rights through transfer
Any obtainment of Stock Acquisition Rights through transfer requires the approval of the Board of Directors of the Company.
- 6) Measures to be taken in the event of reorganization such as merger or company split
In the event of the Company engaging in absorption-type merger (limited to cases where the Company does not survive after the merger), consolidation-type merger, company split and other reorganizations (hereinafter collectively referred to as the “Reorganization Actions” excluding stock transfer and stock exchange), the Company shall issue the stock acquisition rights of the company as described in provisions (a) through (e) of Item 8 of Paragraph 1 of Article 236 of the Companies Act of Japan (hereinafter the “Reorganized Company”) to each holder of the Stock Acquisition Rights remaining at the time the Reorganization Actions become effective (hereinafter the “Remaining Stock Acquisition Rights”), based on the conditions described below. The above stated issuance is, however, effected only when statements of the issuance of the stock acquisition rights of the Reorganized Company have been made in absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan in accordance with the conditions given below.
 - i) Number of new Stock Acquisition Rights of the Reorganized Company to be issued;
The same number as the Stock Acquisition Rights held by the holder of Remaining Stock Acquisition Rights then shall be issued.
 - ii) Type of shares of the Reorganized Company to be issued upon the exercise of the Stock Acquisition Rights;
Shall be Common stocks of the Reorganized Company.
 - iii) Number of shares of the Reorganized Company to be issued upon the exercise of Stock Acquisition Rights;
The number shall be determined after reasonable adjustment is made by considering

- the conditions of Reorganization Actions and other factors (hereinafter “the Number of Shares after the succession”). Any fraction of less than one (1) share resulting from the adjustment shall be disregarded.
- iv) Exercise period for the stock acquisition rights;
The exercise period shall be from either the commencement date of the exercise period for the Stock Acquisition Rights as described in 3) above, or the effective date of the Reorganization Actions, whichever is later, to the final day of the exercise period for the Stock Acquisition Rights as described in 3) above.
 - v) Matters concerning the capital and capital reserve to be increased by the issuance of shares through the exercise of stock acquisition rights;
Decisions shall be made in accordance with 4) above.
 - vi) Value of assets to be paid in as capital at the time of exercising Stock Acquisition Rights;
The value shall be the Exercise Price, as described in 2) above, that has been adjusted in a reasonable manner by taking into account the conditions of the Reorganization Actions and other factors, multiplied by the number of shares after the succession.
 - vii) Other conditions of exercise of stock acquisition rights and reasons for acquisition of Stock Acquisition Rights;
Decisions shall be made in accordance with 7) and 9) below.
 - viii) Restriction on the transfer of Stock Acquisition Rights;
Any obtainment of stock acquisition rights through transfer requires approval of the Board of Directors of the Reorganized Company.
- 7) Reasons for acquisition of the Stock Acquisition Rights
In the event that the Stock Acquisition Rights are not transferred to the new company in accordance with the provisions of an agreement concerning an absorption-type merger (limited to cases where the Company does not survive after merger), consolidation-type merger, company split, stock transfer or stock exchange, etc. (includes company split agreement, stock transfer plan, etc.), or the resolution so made by the Shareholders’ Meeting, the Company shall be able to acquire the Stock Acquisition Rights free of payment on a date to be determined separately by its Board of Directors.
- 8) Any fractions of less than one (1) share of the number of shares to be issued to the holder of the Stock Acquisition Rights who has exercised the Stock Acquisition Rights shall be disregarded.
- 9) Other conditions for the exercise of the Stock Acquisition Rights
- i) To exercise their Stock Acquisition Rights, holders must be a director or employee of the Company or its subsidiaries (including those who are seconded to the Company or its subsidiaries) at the time of exercise. However, this provision excludes cases in which the holder lost such status because they resigned upon retirement after the full term service completion, mandatory retirement, resignation or retirement at the request of the Company or any of its subsidiaries, or for another valid reason.
 - ii) If any one of the cases below applies, the holder of the Stock Acquisition Rights shall be ineligible to exercise any unexercised Stock Acquisition Rights:
 - (a) When a holder is dismissed by the resolution of the shareholders’ meeting of the Company or any one of its subsidiaries, or dismissed on disciplinary grounds, or when they resign or retire for personal reasons;
 - (b) When a holder is given a court sentence of imprisonment without work or greater severity;
 - (c) When a holder files a petition for bankruptcy or civil rehabilitation proceedings, or when a holder is subject to a petition for seizure, provisional seizure, preservation, or provisional disposition, or is subject to coercive collection.

Shareholder Proposals

Proposals No. 6 through 11 are proposed by a single shareholder. That shareholder holds 303 voting rights (0.012% of total voting rights).

The following titles and descriptions of and the reasons for both proposals were made by the shareholder and, despite some stylistic editing, they faithfully represent the shareholder’s perspective. The content has been translated here from the edited version.

Proposal No. 6: Partial Amendment to the Articles of Incorporation: Misleading titles for Executive Officers should be eliminated to avoid mistaking them for Board Members.

Reason for Proposal

Under the title of executive officer, Mikio Fujii and Yuji Ban have been appointed as Deputy Chairman and Deputy President, respectively. However, Masanori Hayashi, a board member, serves as Deputy President of the Company. On March 31, 2024, President Ichiro Goda stepped down and Masataka Sato became President. The Board of Directors' approval resolution and the term of office of the Board of Directors adopted at the Ordinary General Meeting of Shareholders were completely disregarded. This is an act of compliance violation. A personnel system to always protect the Ishida system.

I'm not convinced that the title of deputy chairman or deputy president should be increased by the title of an executive officer who is not a director. Companies should establish a clean executive system.

The management philosophy of Tokai Tokyo HG is “Our Vision, Our Mission, and Our Action Guidelines.” However, the only mission of the board members is to permanently support the Tateaki Ishida Empire.

It was written in a scrambled article in the Nikkei newspaper that this is an era in which even individuals are active shareholders. With the launch of the new NISA, it is possible for corporate managers who disrespect individual investors with stable shareholdings to get caught off guard. The Ishida administration lasted for a long time. It is the last time to think about who the Company belongs to.

The Board of Directors’ Opinion on Proposal No. 6

1. Board of Directors’ Opinion

The Board of Directors objects to the proposal.

2. Reason for Objection

The Company appoints Executive Officers of the Company who are able to execute their duties sincerely and faithfully with self-awareness and responsibility as persons who share the execution of important business operations in the management of the Company. Among them, those who are particularly important in the management of the Company are given names (positions) such as Chairman, President, Deputy President, Senior Managing Director, and Managing Director. The Company believes that it is appropriate to give them appropriate names (positions) according to the importance of the roles they should play in the management of the Company, regardless of whether they are Directors under the Companies Act. In order to ensure the objectivity and transparency of the above-mentioned decision-making process, the Company has established the “Executive Personnel Council” and strives for sound

management by making decisions on the appointment of executive officers and the granting of names (positions) based on the deliberations of the Council.

Accordingly, the Board of Directors believes that there is no need to change the Articles of Incorporation as proposed, and therefore opposes this proposal.

Proposal No. 7: Partial Amendment to the Articles of Incorporation (Addition): The resignation of a Director before the expiration of his / her term of office should be clearly explained to the shareholders at the Ordinary General Meeting of Shareholders.

Reason for Proposal

Chapter 4 Directors and Board of Directors Article 23 (Term of Office) Article 1 provides that the term of office of directors shall be until the conclusion of the Ordinary General Meeting of Shareholders for the last business year ending within one year from the time of their election. Mr. Ichiro Goda resigned on March 31, 2024. Mr. Ichiro Goda is a member of the Board of Directors elected by the shareholders at the Ordinary General Meeting of Shareholders. The resignation of a director without a clear explanation is an act that disregards the shareholders right to elect. This is the Chairman and Representative Director Tateaki Ishida system. This makes shareholders imagine dismissal rather than resignation. This is all because of the Ishida regime, which has been in power for a long time. As a result, those who became board members at a young age are in awe, and the term of office of board members cannot be completed without anxiety.

Tokai Tokyo Financial Holdings, Inc. is a member company of the prime market. Cleanup is always important.

The Board of Directors' Opinion on Proposal No.7

1. Board of Directors' Opinion

The Board of Directors objects to the proposal.

2. Reason for Objection

As of April 1, 2024, Mr. Ichiro Goda was transferred from the position of Representative Director to that of a member of the Board of Directors. He continues to fulfill his duties as a member of the Board of Directors elected by the shareholders at the Ordinary General Meeting of Shareholders.

In addition, the Company believes that the General Meeting of Shareholders is an important opportunity for the Company's shareholders to gather once a year, report on the results of the Company's business activities over the past year, and pass resolutions on important matters of the Company, such as the election of Directors. Therefore, the Company accepts questions from many shareholders at the General Meeting of Shareholders and strives to provide necessary and sufficient explanations.

Accordingly, the Board of Directors believes that there is no need to change the Articles of Incorporation as proposed, and therefore opposes this proposal.

Proposal No. 8: Partial Amendment to the Articles of Incorporation (newly established): It should be prohibited to hold a “photo session for officers to use in public relations, etc.” at a luxury hotel after the General Meeting for Shareholders. Photo sessions for officers should be held at the “Company Orque d'or or a photo studio.”

Reason for Proposal

Chairman and Representative Director of Tokai Tokyo FG Tateaki Ishida is a man who loves showy things. The article in Sentaku magazine in its March 2020 issue reported that the party was held in the large hall of the Imperial Hotel, and it became a conversation piece because it was described as an “extremely showy act in light of the norm of these days.” Shareholders were very interested in the story. The Board of Directors objected to Shareholder Proposal No. 6 at the 111th Ordinary General Meeting of Shareholders held last year. The company argued that it was not a banquet held at the time and place listed in the luxury hotel, but a “photo shoot” for the executives to use in public relations. The shareholders think no matter how much Tateaki Ishida loves showy things, photography taken in the Company's luxurious “Orque d'or facility” would suffice. Even if you don't take pictures in a luxury hotel, it won't have a negative effect on the “images of executives.” Minority shareholders of Tokai Tokyo FG are always suffering from low dividends. I don't want the Company to spend money wastefully. The Board of Directors should review the cost of the shooting venue and consider the cost in the selection of the venue to reduce the expenses.

The Board of Directors’ Opinion on Proposal No. 8

1. Opinion of the Board of Directors

Board of Directors objects to this proposal.

2. Reason for opposition

The Company has been making efforts to reduce costs. Since January 2023, the Company has established a system to discuss whether or not to implement each project from a broad perspective, including cost reduction, and is working to administrate expenditure more appropriately.

Accordingly, the Board of Directors believes that there is no need to change the Articles of Incorporation as proposed, and therefore opposes this proposal.

Proposal No. 9: The ROE indicator for Tokai Tokyo Financial Holdings, Inc. should be set at 8%.

Reason for Proposal

Tokai Tokyo Holdings is a member of the prime market. Chairman Tateaki Ishida receives more than 100 million yen in executive pay every year. Other executives have been similarly well-paid. However, the ROE index for Tokai Tokyo Holdings is 1.1%. Only the executive compensation index is high. However, you should review capital efficiency urgently.

TAKACHIHO KOHEKI announced that it would allocate all of its net profit to dividends until its three-year average ROE exceeds 8%. A comparison of the gap between this company and Tokai Tokyo HD raises the question of whether Tokai Tokyo HD meets the prime standard. At any rate, the TSE's goal of management that is conscious of the cost of capital and the share price is a strategy to raise a company's ROE, appropriately communicate with shareholders, formulate shareholder return policies, and realize sustainable growth. I hope that Tokai Tokyo Holdings will soon become a company that strives to maximize shareholder value by maximizing shareholder profits.

The Board of Directors' Opinion on Proposal No.9

1. Opinion of the Board of Directors

The Board of Directors **objects to the proposal.**

2. Reason for Objection

The Company believes that this proposal relates to matters that do not fall under the category of matters to be resolved at the General Meeting of Shareholders under the Companies Act and the Articles of Incorporation. However, the Company will take up this proposal as an agenda item and explain the Company's stance on ROE.

The Group is working on the "Beyond Our Limits" Medium-Term Management Plan covering the five years from fiscal 2022 to fiscal 2026 and has set a ROE of 12% as of the end of fiscal 2026 as one of the Group's KGIs for achieving the Plan.

Accordingly, the Board of Directors believes that there is no need to set the Company's target ROE at 8%, and therefore opposes this proposal.

Proposal No. 10: Dismissal of One (1) Director (Excluding Directors Serving on the Audit & Supervisory Committee), Mr. Masanori Hayashi, Director and Deputy President.

Masanori Hayashi's main area of expertise is the Comprehensive Risk Management Committee and Sustainability. In particular, it is an area in which the value of the corporate brand is enhanced and the merits of corporate activities that lead to opportunities for business expansion are greatly enhanced. Masanori Hayashi's expertise has not been demonstrated. The long-term administration of Mr. Ishida is far from raising the value of the corporate brand. Five consecutive shareholders right to propose exercises speak for themselves. We also question the degree of social contribution in the area of sustainability, which is the area of expertise for which Mr. Masanori Hayashi is responsible. In addition, the Company has increased the number of executive posts in the Company without clear explanations of their responsibilities and has ignored the term of office of executive officers. The effect is on the shareholders' low dividends. In order to protect the Ishida system, he has only contributed to the creation of a position where he can receive a large amount of remuneration and has not fulfilled his duties as Director and Deputy President. He has contributed to supporting the Ishida administration for a long time.

The Company also failed to pay about 1.5 billion yen in income taxes in Britain. In connection with this, he was further responsible for failing to pay about 700 million yen in Japan in connection with the subject Tax Payment oversight.

The Board of Directors' Opinion on Proposal No.10

1. Opinion of Board of Directors

The Board of Directors objects to the proposal.

2. Reason for Objection

Since assuming the office as Director, Mr. Masanori Hayashi, Director and Deputy President, has utilized his abundant business experience and insight to strive for the development of the Group and the strengthening of its management foundation in such areas as the decision-making of important management matters and the supervision of business execution and has sufficiently fulfilled his duties.

Accordingly, the Board of Directors has determined that he is qualified to serve as a Director of the Company (excluding Directors Serving pm Audit and Supervisory Committee) and therefore opposes his dismissal.

The Company's Audit and Supervisory Committee has also determined that he is suitable for a Director of the Company (excluding Directors Serving on Audit and Supervisory Committee and opposes his dismissal.

Proposal No. 11: Dismissal of One (1) Director Serving on the Audit & Supervisory Committee (Mr. Kazumasa Miyazawa)

Reason for Proposal

Mr. Kazumasa Miyazawa is an Outside Director (Independent Officer) who receives a large monthly salary from Tokai Tokyo Financial Holdings, Inc. Even if Mr. Kazumasa Miyazawa talks about his wealth of knowledge and experience, shareholders don't expect anything from him. It's easy to explain. As an "independent officer," he has been lenient in investigating problems. The reason why individual shareholders acquire the right to make proposals and exercise it to demand the company's improvement five times in a row is that there is no work of independent directors and the investigation of problems is lax. He's just chosen to make up the number of independent directors. In other words, he is an outside director who cannot ensure the soundness of management.

Only minority shareholders are placed in an unfair position, and the Company's problems cannot be resolved by outside directors, who have become a mere formality. In recent years, the Tokyo Stock Exchange has started asking companies to manage their operations with a focus on capital costs, stock prices, and dividends. At long last, the era of "activist shareholders" has arrived. Although Kazumasa Miyazawa is said to have a wealth of experience, he does not even understand the purpose of being an independent director.

The Board of Directors' Opinion on Proposal No.11

1. Opinion of Board of Directors

The Board of Directors objects to the proposal.

2. Reason for Objection

Since assuming the position of Outside Director, Mr. Kazumasa Miyazawa has utilized his wealth of business experience, deep insight, and specialized knowledge, and as an Outside Director, he has endeavored to make decisions on important management matters and supervise the execution of operations of the Company, and he has sufficiently fulfilled his duties. (He was elected as a Director (excluding Directors Serving on Audit and Supervisory Committee) at the 111th Ordinary General Meeting of Shareholders held on June 28, 2023.) He is not a "Director Serving on the Audit and Supervisory Committee.").

Accordingly, the Board of Directors has determined that he is qualified to serve as an Outside Director of the Company and opposes his dismissal. In addition, the Company continues to propose his appointment at this General Meeting of Shareholders.

The Company's Audit and Supervisory Committee has also determined that he is suitable for the position of Outside Director of the Company and opposes his dismissal.