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Securities code: 7384

June 6, 2023

(Start date of electronic provision of documents: June 1, 2023)

**To Shareholders with Voting Rights:**

Susumu Narita  
President  
Procrea Holdings, Inc.  
3-1, Katta 1-Chome, Aomori City,  
Aomori, Japan

**NOTICE OF CONVOCATION OF  
THE 1ST ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are hereby informed that the 1st Ordinary General Meeting of Shareholders of Procrea Holdings, Inc. (the “Company”) will be held as described below.

For the convocation of this General Meeting of Shareholders, the Company provides documents by electronic means and has posted the matters for electronic provision as the “Notice of Convocation of the 1st Ordinary General Meeting of Shareholders” on the following website.

Company website (Japanese only):

<https://www.procrea-hd.co.jp/shareholder/soukai.html>

In addition to the Company’s website, the matters for electronic provision are also disclosed on the following website.

Tokyo Stock Exchange (TSE) website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Access the above TSE website, enter the issue name “Procrea Holdings” or the securities code “7384” and click on Search. Select “Basic Information” and then “Documents for Public Inspection/PR Information,” and check the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” in the “Filed information available for public inspection” section.

In lieu of attending the meeting in person, you may exercise your voting rights by mailing the enclosed Voting Rights Exercise Form or via electromagnetic means (via the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Tuesday, June 27, 2023, Japan Standard Time.

The meeting will be streamed live via the Internet. Therefore, you will be able to watch it online without visiting the venue.

- 1. Date and Time:** Wednesday, June 28, 2023 at 10:00 a.m. Japan time  
(Reception desk opens at 9:00 a.m.)
- 2. Place:** 8F, Main Conference Room, Head Office of The Aomori Bank,  
9-30, Hashimoto 1-chome, Aomori City, Aomori, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:** The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 1st Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Ten (10) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 4:** Determination of Amounts of Remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 5:** Determination of Amounts of Remuneration, etc. for Directors who are Audit and Supervisory Committee Members
- 4. Other Decisions Regarding this Convocation**
- (1) If you do not indicate your approval or disapproval of any of the proposals on the voting form, we will assume that you have indicated your approval of the proposal.
  - (2) If you exercise your voting rights both via the Internet and in writing, only the vote placed via the Internet will be handled as valid. If you exercise your voting rights more than once via the Internet, the last vote exercised shall be deemed valid.

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- Requests to the shareholders
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception upon arrival.  
Shareholders are kindly requested to bring this notice of convocation to the meeting venue in order to help conserve resources.
  - In order to save electricity, the air conditioning at the venue will be set moderately. We would appreciate your attendance in light attire.
- Notice
- For this General Meeting of Shareholders, regardless of whether you have requested delivery of written documents, we will send you a document containing the matters for electronic provision. However, this document does not include the following items in accordance with laws and regulations as well as Article 25, paragraph (2) of the Company's Articles of Incorporation:
    - (1) Consolidated Financial Statements section: "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to Consolidated Financial Statements"; and
    - (2) Non-consolidated Financial Statements section: "Statement of Changes in Shareholders' Equity" and "Notes to Non-consolidated Financial Statements"Therefore, the Consolidated Financial Statements and Non-Consolidated Financial Statements included in this document (Japanese only) are those that were audited by the Audit and Supervisory Committee in preparing the Audit Report and by the Accounting Auditor in preparing the Accounting Audit Report.
  - If any revisions are required in the matters for electronic provision, the revisions will be posted on the respective websites where the initial information was posted.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company's basic policy is to maintain stable dividends while striving for long-term enhancement of its business foundation. Under this policy, the Company proposes that the surplus for the fiscal year under review be appropriated as follows.

Matters concerning year-end dividends

(1) Type of dividend property

Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount

The Company proposes to pay 25 yen per share of common stock and 60.3265 yen per share of Class 1 preferred stock.

In this case, the total dividend amount would be 826,483,835 yen.

(Common Stock: 715,483,075 yen in total; Class 1 Preferred Stock: 111,000,760 yen in total)

As a result, the full-year dividends for the fiscal year under review will be 50 yen per share of common stock, including an interim dividend of 25 yen that has already been paid, and 120.653 yen per share of Class 1 preferred stock, including an interim dividend of 60.3265 yen that has already been paid.

(3) Effective date of distribution of surplus

June 29, 2023

**Proposal 2: Partial Amendments to the Articles of Incorporation**

1. Reason for Amendment

- (1) The Company proposes the establishment of a new provision in the Articles of Incorporation allowing the Board of Directors to decide on the acquisition of treasury shares in accordance with laws and regulations, in order to enable the Board of Directors to make flexible decisions on the acquisition of treasury shares with regard to Class 1 preferred stock involving public funds, in accordance with the Company’s financial situation and stock price trends, etc., and to enable a flexible capital policy in response to changes in the business environment.
- (2) The Company also proposes to make other necessary changes.

2. Nature of Amendment

The content of the amendments are as follows.

Please note that the amendments will become effective upon the conclusion of this General Meeting of Shareholders.

(Changes are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 7 Acquisition of Treasury Shares Under the provisions of Article 165, paragraph (2) of the Companies Act, the Company may acquire treasury shares through market transactions or the like by resolution of the Board of Directors. [Newly established]</p>	<p>Article 7 Acquisition of Treasury Shares Under the provisions of Article 165, paragraph (2) of the Companies Act, the Company may acquire treasury shares through market transactions or the like by resolution of the Board of Directors. <u>2 Under the provisions of Article 459 of the Companies Act, the Company may, by resolution of the Board of Directors, acquire treasury shares, specifying the matters listed in each item of Article 156, paragraph (1) of the said Act, except in the case of making a decision under the provisions of Article 160, paragraph (1) of the said Act.</u></p>
<p>Article 13 Class I Preferred Dividend [Omitted]</p>	<p>Article 13 Class I Preferred Dividend [Omitted]</p>
<p>3 Surplus dividends will not be paid to Class I Preferred Shareholders and Registered Class I Pledge Holders in excess of the Class I Preferred Dividend amount. However, this shall not apply in the event of a surplus dividend under Article 758, item (viii)(b) or Article 760, item (vii)(b) of the Companies Act while the Company executes absorption-type split procedures, or a surplus dividend under Article 763, item (xii)(b) or Article 765, paragraph (1), item (viii)(b) of the Companies Act while the Company executes incorporation-type corporate split procedures.</p>	<p>3 Surplus dividends will not be paid to Class I Preferred Shareholders and Registered Class I Pledge Holders in excess of the Class I Preferred Dividend amount. However, this shall not apply in the event of a surplus dividend under Article 758, item (viii)(b) or Article 760, item (vii)(b) of the Companies Act while the Company executes absorption-type split procedures, or a surplus dividend under Article 763, <u>paragraph (1),</u> item (xii)(b) or Article 765, paragraph (1), item (viii)(b) of the Companies Act while the Company executes incorporation-type corporate split procedures.</p>

**Proposal 3: Election of Ten (10) Directors (excluding Directors who are Audit and Supervisory Committee Members)**

The terms of office of all ten (10) Directors (excluding Directors who are Audit and Supervisory Committee members) will expire at the conclusion of this meeting.

Accordingly, the election of ten (10) Directors (excluding Directors who are Audit and Supervisory Committee members) is proposed.

This proposal was settled on after deliberation and a report by the Nomination and Remuneration Committee. It has also been reviewed by the Audit and Supervisory Committee, which has expressed that there are no particular issues to point out.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee members) are as follows:

No.	Name		Current position at the Company	Attendance at meetings of the Board of Directors
1	Susumu Narita (Male)	[Reappointment]	President (Representative Director)	17/17 (100%)
2	Takayuki Fujisawa (Male)	[Reappointment]	Vice President (Representative Director)	17/17 (100%)
3	Keitaro Ishikawa (Male)	[Reappointment]	Director	17/17 (100%)
4	Tsuyoshi Tamura (Male)	[Reappointment]	Director	17/17 (100%)
5	Yo Mori (Male)	[Reappointment]	Director	16/17 (94%)
6	Motomi Shiratori (Male)	[Reappointment]	Director	17/17 (100%)
7	Shinji Suto (Male)	[Reappointment]	Director	17/17 (100%)
8	Hideyuki Okawa (Male)	[New appointment]	General Manager, Credit Planning Division	-
9	Katsunori Mikuniya (Male)	[Reappointment] [Outside] [Independent]	Director	17/17 (100%)
10	Kazunari Higuchi (Male)	[Reappointment] [Outside] [Independent]	Director	17/17 (100%)

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Class and number of shares of the Company held
1	Susumu Narita (September 27, 1954)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (17/17)	April 1978	Joined The Aomori Bank, Ltd.	Common stock: 6,920 shares
		June 2007	General Manager, Corporate Banking Division	
		June 2008	Executive Officer / General Manager, Credit Supervision Division	
		June 2010	Executive Officer / General Manager, Hirosaki Branch	
		April 2011	Executive Officer / Hirosaki Area Supervisor	
		June 2011	Managing Director	
		June 2014	Senior Managing Director	
		April 2015	Director / President (current position) in charge of Auditing Division	
		April 2022	President (current position) in charge of Auditing Division, the Company	
[Reason for nomination as candidate for Director] Mr. Susumu Narita possesses a wealth of practical experience and deep insights gained through involvement in corporate sales planning, credit management services, and other areas at The Aomori Bank. He has provided leadership for many years since appointment as the representative director in June 2014, leading The Aomori Bank to sustainable growth and higher enterprise value. As the chief executive officer of the Joint Holding Company, he has supervised and guided the merger of the subsidiary banks and made steady progress. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.				
2	Takayuki Fujisawa (August 26, 1966)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (17/17)	April 1990	Joined The Michinoku Bank, Ltd.	Common stock: 1,150 shares
		April 2007	General Manager, Management Planning Division	
		April 2010	General Manager, Furukawa Branch	
		April 2012	General Manager, Personnel Division	
		April 2015	Executive Officer, Director of Business Promotion Headquarters, and General Manager, Sales Strategy Division	
		June 2016	Managing Executive Officer, Director of Business Promotion Headquarters, and General Manager, Sales Strategy Division	
		April 2017	Senior Executive Officer and Director of Business Promotion Headquarters	
		June 2018	President (current position)	
		April 2022	Vice President (current position) in charge of HR Planning Division, the Company	
[Reason for nomination as candidate for Director] Mr. Takayuki Fujisawa possesses a wealth of practical experience and expert knowledge gained through involvement in business planning, human resources, sales promotion, and other areas at The Michinoku Bank. He has provided leadership since appointment as the representative director in June 2018, leading The Michinoku Bank to sustainable growth and higher enterprise value. He has been fulfilling his duties and responsibilities appropriately, including assisting the chief executive officer of the Joint Holding Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
3	Keitaro Ishikawa (April 26, 1961)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (17/17)	April 1984      Joined The Aomori Bank, Ltd. April 2010      General Manager, Personnel Division April 2011      General Manager, General Planning Division June 2013      General Manager, Head Office June 2014      Executive Officer / General Manager, Head Office June 2015      Executive Officer / General Manager, Business Administration Division June 2016      Director / Executive General Manager, Regional Headquarters (Hirosaki Area) June 2018      Managing Executive Officer / Executive General Manager, Regional Headquarters (Hirosaki Area) June 2019      Director / Managing Executive Officer June 2021      Director and Senior Managing Executive Officer April 2022      Director (current position) in charge of Business Execution Management, Management Planning Division, and Integration Promotion Division, the Company June 2022      Director / Deputy President (current position) in charge of General Planning Division, Treasury and International Division, General Affairs Division, and Tokyo Liaison Office, The Aomori Bank, Ltd.	Common stock: 2,360 shares
<p>[Reason for nomination as candidate for Director]            Mr. Keitaro Ishikawa has of a broad range of practical experience gained through involvement in business planning, retail sales planning, human resources, and other areas at The Aomori Bank. He has provided leadership in the formulation of various strategies while overseeing the overall management of different divisions.</p> <p>As a business execution supervisor at the Joint Holding Company, he has promoted the merger of subsidiary banks and made steady progress. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			
4	Tsuyoshi Tamura (September 22, 1962)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (17/17)	April 1985      Joined The Aomori Bank, Ltd. April 2009      General Manager, Shiroshta Branch June 2011      General Manager, Sendai Branch October 2012    General Manager, Corporate Banking Division June 2015      General Manager, Credit Supervision Division June 2016      Executive Officer and General Manager, Credit Supervision Division June 2018      Managing Executive Officer April 2022      Director (current position) in charge of System and Operations Administration Division, the Company June 2022      Director and Senior Managing Executive Officer (current position) in charge of System Development Division and Operations Administration Division, The Aomori Bank, Ltd.	Common stock: 2,300 shares
<p>[Reason for nomination as candidate for Director]            Mr. Tsuyoshi Tamura has a wealth of practical experience gained through involvement in corporate sales planning, credit management, and other areas at The Aomori Bank. Most recently, he has led the Systems Division and Administrative Division, where he was instrumental in promoting system integration and the implementation of digital transformation (DX).</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
5	<p>Yo Mori (December 6, 1963)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 94% (16/17)</p>	<p>April 1986      Joined The Aomori Bank, Ltd.</p> <p>July 2009      General Manager, Namidate-Dori Branch</p> <p>April 2011      General Manager, Misawa Branch</p> <p>June 2013      General Manager, Personnel Division</p> <p>June 2015      General Manager, Head Office</p> <p>June 2017      Executive Officer and General Manager, Head Office</p> <p>June 2019      Managing Executive Officer / Executive General Manager, Regional Headquarters (Aomori Area)</p> <p>April 2022      Director (current position) in charge of Regional Co-creation Division, the Company</p> <p>June 2022      Director, Senior Managing Executive Officer, and Executive General Manager, Regional Headquarters (Aomori Area) (current position) in charge of Business Administration Division, Business Promotion Division, and Business Partnering Division, The Aomori Bank, Ltd.</p>	<p>Common stock: 2,300 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yo Mori has a wealth of practical experience gained through the management of three sales offices and involvement in human resources and other areas at The Aomori Bank. Most recently, he has served as the manager of a district sales division, where he has provided leadership in improving performance and in the management of the area.</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			
6	<p>Motomi Shiratori (January 1, 1967)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (17/17)</p>	<p>April 1989      Joined The Aomori Bank, Ltd.</p> <p>April 2010      General Manager, Ominato Branch</p> <p>October 2012    General Manager, Sendai Branch</p> <p>June 2015      General Manager, Corporate Banking Division</p> <p>July 2017      General Manager, Hirosaki Branch</p> <p>June 2019      Executive Officer and General Manager, Head Office</p> <p>April 2022      Director (current position) in charge of Credit Planning Division, the Company</p> <p>April 2022      Managing Executive Officer (current position) in charge of Risk Administration Division, Credit Supervision Division, and Personnel Division, The Aomori Bank, Ltd.</p>	<p>Common stock: 1,900 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Motomi Shiratori has a wealth of practical experience gained through the management of four sales offices and involvement in corporate sales planning and other areas at The Aomori Bank. Most recently he has provided leadership by leading the risk management, credit supervision, and personnel divisions.</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
7	<p>Shinji Suto (July 30, 1969)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (17/17)</p>	<p>April 1992      Joined The Michinoku Bank, Ltd.</p> <p>March 2008     General Manager, Sales Management Division</p> <p>April 2008     General Manager, Sales Development Division</p> <p>April 2012     General Manager, Furukawa Branch</p> <p>April 2015     General Manager, Management Planning Division</p> <p>April 2017     Executive Officer and General Manager, Management Planning Division</p> <p>April 2018     Managing Executive Officer</p> <p>April 2019     Senior Executive Officer</p> <p>April 2022     Director (current position) in charge of Risk Administration Division, the Company</p> <p>June 2022     Director and Senior Executive Officer (current position) in charge of Management Planning Division, Risk Management Division, and Integration and Promotion Division, The Michinoku Bank, Ltd.</p>	<p>Common stock: 882 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shinji Suto has a wealth of practical experience gained through involvement in business planning, business management, personnel and general affairs, sales promotion, and other areas at The Michinoku Bank. Most recently he has led the Management Planning Division, where he has provided leadership in all aspects of the business strategy, business improvement, and general management.</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			
8	<p>Hideyuki Okawa (September 1, 1966)</p> <p>[New appointment]</p>	<p>April 1989      Joined The Michinoku Bank, Ltd.</p> <p>July 2009      General Manager, Aomori-Minami Branch</p> <p>July 2011      General Manager, Credit Planning Division</p> <p>April 2015      General Manager, KeyMan Promotion Division</p> <p>August 2016    General Manager, Sapporo Branch</p> <p>April 2018      Executive Officer and General Manager, Sapporo Branch</p> <p>April 2019      Executive Officer and Director of Business Promotion Headquarters</p> <p>April 2021      Executive Officer and General Manager, Credit Division</p> <p>April 2022      Managing Executive Officer (current position) in charge of Personnel and General Affairs Division and Credit Division</p> <p>October 2022    General Manager, Credit Planning Division, the Company (current position)</p>	<p>Common stock: 506 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Hideyuki Okawa has a wealth of practical experience gained through the management of two sales offices and involvement in credit supervision, sales promotion, and other areas at The Michinoku Bank. Most recently he has provided leadership by leading the credit supervision and the human resources and general affairs divisions.</p> <p>He is nominated as a director candidate because it is judged that by applying his experiences and insights, he can contribute to the sustainable growth and improvement of enterprise value of the Joint Holding Company and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
9	Katsunori Mikuniya (April 25, 1951)  [Reappointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] 100% (17/17)	April 1974      Joined the Ministry of Finance July 1979      Director, Sanjo Tax Office June 1981      Director, Economics Department, Agriculture and Forestry Division, Aomori Prefectural Government April 1982      Director, Fiscal Policy Department, General Affairs Division, Aomori Prefectural Government July 1997      Director, Corporate Finance Department, Securities Bureau, Ministry of Finance July 2002      Councilor, Planning and Coordination Bureau, Financial Services Agency July 2004      General Councilor, Financial Services Agency August 2005    Director General, Planning and Coordination Bureau, Financial Services Agency July 2008      Director General, Supervisory Bureau, Financial Services Agency July 2009      Commissioner, Financial Services Agency October 2011    Counselor, Nitore Holdings Co., Ltd. April 2012      Professor, University of Tokyo (Policy Vision Research Center) March 2015      Chair, Deposit Insurance Corporation of Japan October 2017    Chair, International Association of Deposit Insurers (IADI) April 2021      Counselor, Open House Co., Ltd. (current position) April 2022      Outside Director, the Company (current position)	Common stock: 0 shares
<p>[Reason for nomination as candidate for Outside Director and expected role]</p> <p>Mr. Katsunori Mikuniya has a wealth of experience and broad insights into financial and monetary administration gained through service as Commissioner of the Financial Services Agency, Chair of the Deposit Insurance Corporation of Japan and in numerous other positions, and as a native of Aomori Prefecture, he has a deep understanding of the area.</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as an outside director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director of the Company will have been one year and three months at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
10	Kazunari Higuchi (January 3, 1957)  [Reappointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] 100% (17/17)	<p>April 1980      Joined Fuji Bank, Ltd. (now Mizuho Bank, Ltd.)</p> <p>March 2006    Manager, Kabutocho Corporate Banking and Securities Business Department, Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)</p> <p>April 2008    Manager, Payments Sales Division</p> <p>April 2009    Executive Officer and Manager, Operations Auditing Department</p> <p>April 2010    Counselor, Mizuho Research Institute Ltd. (now Mizuho Research &amp; Technologies, Ltd.)</p> <p>May 2010     Managing Executive Officer</p> <p>May 2011     President and Representative Director, UC Card Co., Ltd.</p> <p>May 2011     Director, Qubitous Co., Ltd. (now Credit Saison Co., Ltd.)</p> <p>April 2016    Counselor, UC Card Co., Ltd.</p> <p>June 2016    Full-Time Auditor, Taiyo Nippon Sanso Corp. (now Nippon Sanso Holdings Corp.)</p> <p>June 2020    Outside Director, Kureha Corp. (current position)</p> <p>June 2020    Director, The Michinoku Bank, Ltd.</p> <p>April 2022    Outside Director, the Company (current position)</p>	Common stock: 0 shares
<p>[Reason for nomination as candidate for Outside Director and expected role] Mr. Kazunari Higuchi has a wealth of experience and broad insights into corporate management and financial practice gained through service as an officer at a large bank and representative director of a major credit card company. He was appointed outside director of The Michinoku Bank in 2020, and continues to appropriately discharge his duties and responsibilities.</p> <p>His experiences and insights have been applied at the Joint Holding Company as well. He is nominated as an outside director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director of the Company will have been one year and three months at the conclusion of this General Meeting of Shareholders.</p>			

- Notes:
- There is no special interest between each candidate for Director and the Company.
  - Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi are candidates for Outside Director.
  - The Company has registered Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi as Independent Directors with the Tokyo Stock Exchange as set forth in the regulations of the Exchange, and if their reappointment is approved, the Company intends for them to continue as Independent Directors.
  - Liability limitation agreements with Directors  
The Company has entered into an agreement with Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi to limit their liability pursuant to Article 427, paragraph (1) of the Companies Act, and if their reappointment is approved, the Company intends to continue the agreement with them.  
An overview of the content of the liability limitation agreement is as follows:
    - In the event that a Director is liable for damages to the Company owing to failure to perform his or her duties, his or her liability shall be limited to the total amount provided for in each item of Article 425, paragraph (1) of the Companies Act.
    - The aforementioned limitation of liability shall only be recognized in cases when the performance of duties by the Director that is the cause of the liability is done so in good faith and without serious negligence.
  - Directors and officers liability insurance agreement with Directors

The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. At the time of renewal, the Company intends to renew the agreement under the same terms. Directors, if their reappointment is approved, will continue to be covered by the said insurance agreement. An overview of the contents of the directors and officers liability insurance agreement is as follows:

- The insurance premium is fully borne by the Company.
- The insurance agreement shall cover any damage that may arise as Directors, the insured, assume responsibility in executing their duties or receive claims related to the pursuit of such liability. However, there are certain exemptions, such as no compensation being given for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

## (Reference) Skills Matrix

As a whole, the Company's Board of Directors possesses a well-balanced composition of diverse knowledge and expertise.

The following skills in particular are expected to be demonstrated by the directors, both internal and outside, in the Board of Directors:

### Internal Directors

Position	Name	Skills Expected to be Demonstrated in the Board of Directors						
		Corporate Management	Sales/Marketing	Finance/Accounting	Risk Management	Human Resources/Talent Development	DX/ICT	International/Market Investments
President	Susumu Narita	●		●	●			
Vice President	Takayuki Fujisawa	●		●		●		
Vice President	Keitaro Ishikawa	●	●	●				
Director	Tsuyoshi Tamura				●	●	●	
Director	Yo Mori		●			●		
Director	Motomi Shiratori		●	●		●		
Director	Shinji Suto	●		●				●
Director	Hideyuki Okawa		●		●			
Director (Audit and Supervisory Committee Member)	Akira Nakagawa		●		●			●

### Outside Directors

Position	Name	Skills Expected to be Demonstrated in the Board of Directors				
		Corporate Management	Public Administration	Law	Finance	Regional Economy
Outside Director	Katsunori Mikuniya		●		●	●
Outside Director	Kazunari Higuchi	●			●	
Outside Director (Audit and Supervisory Committee Member)	Masashi Iwakigawa	●			●	●
Outside Director (Audit and Supervisory Committee Member)	Tetsutaro Wakatsuki			●		
Outside Director (Audit and Supervisory Committee Member)	Mie Ishida			●		

- Notes:
1. This is the planned structure of the Board of Directors after the election of the director candidates in Proposal 3 for this General Meeting of Shareholders.
  2. This is a list of skills that are particularly expected to be demonstrated and does not encompass all the knowledge possessed by each individual.

(Reference)

## **Independence Standards for Outside Officers**

The Company designates all Outside Officers who qualify as Independent Directors as Independent Directors.

(Independence Standards for Outside Directors)

The Company has formulated its Independence Standards as follows:

- (1) The person shall not be a party for whom the Procrea Holdings Group is a major business partner nor an executive thereof.
- (2) The person shall not be a party which is a major business partner of the Procrea Holdings Group nor an executive thereof.
- (3) The person shall not be a consultant, accounting specialist, or legal specialist who receives significant money or other financial benefits from the Procrea Holdings Group apart from the Director's remuneration.
- (4) The person shall not be a major shareholder of the Procrea Holdings Group nor an executive thereof.
- (5) The person shall not be a person who receives significant donations from the Procrea Holdings Group nor an executive thereof.
- (6) The person shall not have fallen under any of the criteria in (1) to (5) above within the past three (3) years.
- (7) The person shall not be a close relative of anyone falling under any of the criteria (1) to (6) above (except those who are not in a principal position).

\*1 "A party for whom the Procrea Holdings Group is a major business partner": Refers to a business partner for which transactions with the Procrea Holdings Group make up 2% or more of the business partner's consolidated net sales in the most recent fiscal year.

\*2 "A party which is a major business partner of the Procrea Holdings Group": Refers to a business partner for which income from transactions with the business partner makes up 2% or more of the Procrea Holdings Group's consolidated gross profit in the most recent fiscal year.

\*3 "Significant": An amount exceeding the greater of 10 million yen per year or 30% of the party's annual expenses, averaged over the past three (3) years

\*4 "A major shareholder": A shareholder that holds 10% or more in direct or indirect voting rights of the Procrea Holdings Group

\*5 "Those who are not in a principal position": A person who is not an officer or general manager of the company

\*6 "A close relative": A relative within the second degree of kinship

**Proposal 4: Determination of Amounts of Remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members)**

The amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members) is set forth in Article 2, Item 1 of the Supplementary Provisions of the Company's Articles of Incorporation, stating that the total amount of remuneration, etc. for the period from the Company's establishment date until the end of the first ordinary general meeting of shareholders shall be no greater than ¥300 million yen per year.

Therefore, the Company asks that the amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members) to be paid after the conclusion of this general meeting of shareholders be approved.

This proposal seeks approval to continue setting the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee members) at no greater than ¥300 million yen per year, after careful consideration of the Company's management structure, economic conditions, and various other circumstances.

Please note that the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee members) will not include salaries paid for the service rendered as employees by Directors who also serve as employees of the Company, as has been the practice.

This proposal was settled on after deliberation and a report by the Nomination and Remuneration Committee. It has also been reviewed by the Audit and Supervisory Committee, which has expressed that there are no particular issues to point out.

The Company established a policy on the amount or calculation method of Directors' remuneration at the meeting of the Board of Directors held on April 1, 2022, an outline which is set forth in the Business Report from page 40 to page 41 (available in Japanese only). The remuneration, etc. based on this proposal is in line with the said policy, and there is no plan to change the policy even if this proposal is approved. Furthermore, the Company believes that this proposal is sufficient to cover the remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee members) in accordance with said policy, and that it is reasonable in light of the remuneration limits approved by the general meetings of shareholders of other companies of the same size and business as the Company.

If Proposal 3 is approved as proposed, there will be 10 Directors (excluding Directors who are Audit and Supervisory Committee members), including 2 Outside Directors.



### **Proposal 5: Determination of Amounts of Remuneration, etc. for Directors who are Audit and Supervisory Committee Members**

The amount of remuneration, etc. for the Company's Directors who are Audit and Supervisory Committee members is set forth in Article 2, Item 2 of the Supplementary Provisions of the Company's Articles of Incorporation, stating that the total amount of remuneration, etc. for the period from the Company's establishment date until the end of the first ordinary general meeting of shareholders shall be no greater than ¥60 million yen per year.

Therefore, the Company asks that the amount of remuneration, etc. for the Company's Directors who are Audit and Supervisory Committee members to be paid after the conclusion of this general meeting of shareholders be approved.

This proposal seeks approval to continue setting the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee members at no greater than ¥60 million yen per year, after careful consideration of the Company's management structure, economic conditions, and various other circumstances.

This proposal was settled on after deliberation and a report by the Nomination and Remuneration Committee. It has also been reviewed by the Audit and Supervisory Committee, which has expressed that there are no particular issues to point out.

The Company believes that this proposal is sufficient to cover the remuneration, etc. of Directors who are Audit and Supervisory Committee members, and that it is reasonable in light of the remuneration limits approved by the general meetings of shareholders of other companies of the same size and business as those of the Company.

Currently, there are four (4) Directors who are Audit and Supervisory Committee members, including three (3) Outside Directors.