



April 18, 2023

To whom it may concern,

Company name: Seven & i Holdings Co., Ltd.
Representative: Ryuichi Isaka, President and Representative Director
(Ticker code: 3382 TSE Prime Market)

Notice regarding our Board of Directors' opinion on the Director Nominees and the Shareholder Proposal

We had received a letter from our shareholder ValueAct Capital Master Fund LP (“Proposing Shareholder”), stating that they will make a shareholder proposal (“Shareholder Proposal”) regarding the appointment of Directors, as one of the items for our 18th Annual Shareholders’ Meeting scheduled in May 25, 2023 (the “2023 Shareholders’ Meeting”). In our Board of Directors’ meeting held today, we made a resolution on the Director nominees to the 2023 Shareholders’ Meeting and opinion of the Board regarding the Shareholder Proposal as set forth below.

Structure of this release

1. Summary of our Board of Directors’ Opinion

2. Items for the 2023 Shareholders’ Meeting

3. Our Board of Directors’ Opinion on the Shareholder Proposal

<Appendix 1> Details of the candidate in the Company Proposal

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<Appendix 4> Skills matrix of the company's proposed 15 director candidates and 5s

1. Summary of our Board of Directors’ Opinion on the Shareholder Proposal

- Since the new management structure centered around the current President Ryuichi Isaka came into

place in May 2016, our Group set the policy of “Positioning the convenience store business (“CVS Business”) in Japan and the U.S. as the pillar of the Group’s growth, and focusing management resources”, and we clarified our policy of selection and concentration of the Group’s businesses based on the business portfolio strategy.

- Moreover, in the Annual Shareholders’ Meeting in 2022, we implemented a bold change in the composition of the Board of Directors to have a majority of outside directors. Under this new Board structure, we announced the results of the Group Strategy Revaluation, focusing on the growth strategy of the CVS Business in Japan and overseas while positioning “Food” as our strength. We also decided to set up the Strategy Committee, consisting only of independent outside Directors.
- As a result of these strategic efforts by the Group, we are achieving steady growth in our earnings, with consolidated revenues from operations and operating profit both reaching record levels in fiscal year 2022, as well as upgrading the targets in the “Medium-Term Management Plan 2021-2025” (the “Medium-Term Management Plan”).
- In order to establish a management structure that will contribute to further growth and maximize corporate and shareholder value over the long term, we considered the composition of the Board of Directors, with an emphasis on skillsets in areas such as “experience leading a listed company or other relevant organization in a chief executive role”, experience and knowledge to realize the Group’s growth strategy in terms of “Food”, “DX”, “global management”, and “experience and expertise in business transformation” in line with Group Strategy, in keeping with the Group’s accomplishments to date.
- Our Board of Directors opposes the Shareholder Proposal because, after fair consideration and deliberation of the proposed new Board of Directors structure, taking into account the overall skill sets required of the Company’s directors and interviews with the four candidates in the Shareholder Proposal and the Company’s Nomination Committee, it was determined that the candidates proposed by the Company would be more appropriate.
- The reasons outlined in the Shareholder Proposal include various misrepresentations and distortions of the facts regarding the Group’s initiatives and progress, especially with respect to the misstatement for the independency of Mr. Ito, resulting in a serious misunderstanding towards the Company based on the Shareholder Proposal.

2. Items for the 2023 Shareholders’ Meeting

(1) Item to appoint Directors

Item No. 2: Appointment of 5 Directors (company proposal)

Item No. 4: Appointment of 10 Directors (company proposal, shareholder proposal)

Item No. 5: Appointment of 4 Directors (shareholder proposal)

In the 2023 Shareholders’ Meeting, Item No. 1 (Appropriation of retained earnings) and Item No. 3

(Appointment of 1 Audit & Supervisory Committee Member) will also be deliberated.

(2) Summary of item, and reason for Proposals

(i)Item No. 2: Appointment of 5 Directors (company proposal)

1. Summary of item

Appointment as Director of Mr. Ryuichi Isaka, Mr. Katsuhiko Goto, Mr. Toshiro Yonemura, Mr. Shinji Wada, Mr. Fuminao Hachiuma

2. Reason for the proposal

Since the new management structure centered around the current President Ryuichi Isaka came into place in May 2016, our Group made a significant shift away from the previous strategy of diversifying our business, announced the Group's Medium-Term Management Plan for the first time, and set the policy of "Positioning CVS Business as the pillar of the Group's growth, and focusing management resources". In July 2021, we set the "Ideal Group image for 2030" as the Group's long-term vision, and announced the Medium-Term Management Plan for the 5 years to fiscal year 2025 to realize the vision. In this Medium-Term Management Plan, we clarified our policy of selection and concentration of the Group's businesses, based on the business portfolio strategy, and in the same year executed the acquisition of Speedway in the CVS business, following the acquisition of Sunoco business in 2018, the establishment of the 7-Eleven International LLC, and the additional strategic investment in 7-Eleven International's Vietnam business in 2023. We also promoted numerous strategic decisions to enhance the corporate value of the Group, including the disposal of non-core businesses, and completed the disposal of all shares of OSHMAN'S JAPAN in 2022, and part of the shares of Francfranc in 2021, as well as announcing the disposal of all shares of Sogo Seibu in 2022.

Moreover, in the Annual Shareholders' Meeting in 2022, we newly appointed 6 outside Directors, and set up a governance structure suitable to the world's top class retail group, as well as changing the Board structure to one which outside Directors form the majority, with the aim of achieving sustainable growth in the global market and enhancing corporate value over the mid-to-long term. Under this new Board and governance structure, we have been making various considerations ("Group Strategy Reevaluation") regarding strategic initiatives that contribute to enhancing the Group's corporate value, based on the growth potential and profitability of each business segment. As a result, on March 9, 2023, we announced the update to the Medium-Term Management Plan, as well as the results of the Group Strategy Reevaluation, which was supported unanimously by the Board. We set the Group's management policy of further accelerating the ongoing shift away from the previous comprehensive retailer strategy, and focusing on the growth strategy of the CVS Business in Japan and overseas while positioning "Food" as our strength, thereby allocating management resources in an optimal way, and engaging in the Group's growth strategy based on our strengths in "Food", which is the source of the Group's competitiveness. We also decided to set up the Strategy Committee, consisting only of independent outside Directors. The Committee will monitor the progress of the growth strategy of the CVS Business in Japan and overseas, as well as the progress of

structural reforms of the superstore business (“SST Business”), analyze and consider the optimal Group business structure to achieve these strategies, as well as strategic options including IPO, spinoff etc., and advise the Board on how to enhance the Group’s corporate value over the mid-to-long term.

As outlined above, we have been making steady progress in the selection and concentration of the Group’s businesses, in order to accelerate the shift away from the previous diversification strategy, and to reform the business portfolio in order to focus on the growth strategy of the CVS Business. The 7 business segments that existed back in 2016 have been narrowed down to 5. As for the extraordinary loss booked in fiscal year 2016 onwards, a large part of this is restructuring expenses related to the store renovations in the domestic CVS Business, the closure and disposal etc. of underperforming stores with the aim of improving profitability of the SST and Department Store business, as well as costs to make the shift away from the diversification strategy that was in place before 2016, and is precisely the result of the steady progress made in the selection and concentration process of the Group’s businesses.

As mentioned above, we have also been improving and enhancing our corporate governance, and in December 2022 we newly added 2 outside Directors to the Nomination Committee, and have been seeking to reinforce objectivity and transparency of the nomination process for Directors etc. Moreover, we are achieving steady growth in our earnings, with consolidated revenues from operations and operating profit both reaching record levels in fiscal year 2022, as well as upgrading the targets in the Medium-Term Management Plan.

As stated in the notice regarding the change and reappointment of Directors and Audit & Supervisory Board Member released today, in the Annual Shareholders’ Meeting this fiscal year Mr. Kunio Ito will be retiring after years of service as outside Director, and we have therefore decided to make a company proposal for the appointment of 2 new outside Director candidates. Mr. Kunio Ito has thus far taken on the roles of Chairman of the Nomination Committee and Chairman of the Compensation Committee, making a significant contribution to improving and enhancing our corporate governance. As Lead Outside Director in the new Board that was transformed in the Annual Shareholders’ Meeting last year, he has been leading our reforms towards a governance structure that is suitable for a global retail group. For the Regular Shareholders’ Meeting this fiscal year, we made considerations prioritizing the skillsets in areas such as “experience leading a listed company or other relevant organization in a chief executive role”, experience and knowledge to realize the Group’s growth strategy in terms of “Food”, “DX”, and “global management”, and “experience and expertise in business transformation”, in line with “Ideal Group image for 2030” which was reviewed based on the results of the aforementioned Group Strategy Reevaluation, and decided to nominate Mr. Shinji Wada and Mr. Fuminao Hachiuma as suitable candidates. With the appointments of the 2 new outside Directors, and under the further reformed governance structure with the new leadership of Representative Director(s) Ryuichi Isaka, Katsuhiko Goto and Junro Ito, centered around President Ryuichi Isaka, and by our senior management team, which has deep knowledge about the challenges and opportunities in the retail business which is our business domain and has the track record of contributing to value creation, actively lead the execution of the business strategy, we believe it possible to aim to make the leap towards becoming the world’s top class retail group.

<Skills matrix of the Company’s proposed 15 director candidates>

Name	Title	Management and Industry Experience				Management Skills, Knowledge, etc.					
		CEO Experience	Retail Experience	International Business Experience	Financial Business Experience	Organizational Management/	Marketing/Branding	DX/IT/Security	Finance and Accounting	Risk Management/Crisis Response/Legal	Sustainability
Ryuichi Isaka	Representative Director and President	●	●	●		●	●				●
Katsuhiro Goto	Representative Director and Vice President		●		●	●	●	●			
Junro Ito	Representative Director		●			●				●	●
Fumihiko Nagamatsu	Director	●	●			●	●				
Joseph Michael DePinto	Director	●	●	●		●	●	●			
Yoshimichi Maruyama	Director				●				●	●	
Toshiro Yonemura	Independent Outside Director					●		●		●	
Yoshiyuki Izawa	Independent Outside Director	●		●	●	●			●		●
Meyumi Yamada	Independent Outside Director	●	●			●	●	●			●
Jenifer Simms Rogers	Independent Outside Director			●	●				●	●	●
Paul Yonamine	Independent Outside Director	●		●	●	●		●	●		
Stephen Hayes Dacus	Independent Outside Director	●	●	●		●	●		●		
Elizabeth Miin Meyerdirk	Independent Outside Director	●	●	●			●	●	●		
Shinji Wada	Independent Outside Director	●	●			●		●			●
Fuminao Hachiuma	Independent Outside Director	●		●		●	●				●

Based on the above considerations and the recommendation from the Nomination Committee, we have decided to make a company proposal to appoint 15 Directors. Out of the 15 candidates, 10 are candidates proposed by the Proposing Shareholder as well, which is Item No. 4. For this item, we are proposing the 5 individuals that are being proposed by the company only.

Please see Appendix 1 for details of the candidates in Item No. 2 (company proposal)

(ii) Item No. 4: Appointment of 10 Directors (company proposal, shareholder proposal)

1. Summary of item

Appointment as Director of Mr. Junro Ito, Mr. Fumihiko Nagamatsu, Mr. Joseph Michael DePinto, Mr. Yoshimichi Maruyama, Mr. Yoshiyuki Izawa, Ms. Meyumi Yamada, Ms. Jenifer Simms Rogers, Mr. Paul Yonamine, Mr. Stephen Hayes Dacus, and Ms. Elizabeth Miin Meyerdirk.

2. Reason for the proposal

(Reason for the company proposal)

As outlined in Item No. 2, we have decided to make a company proposal regarding the 15 Director candidates. Out of the 15 candidates, 10 are candidates that have also been proposed by the Proposing Shareholder, which is covered in this item.

(Reason for proposal by the Proposing Shareholder)

Please see Item No. 5 for the reason for proposal by the Proposing Shareholder.

Please see Appendix 2 for details of the candidates in Item No. 4 (company proposal, shareholder proposal).

(iii) Item No. 5: Appointment of 4 Directors (shareholder proposal)

Item No. 5 has been proposed by the Proposing Shareholder. The Board **opposes this item. Please see page 8 to 11 for the Board's opinion.**

As for the summary of the item below, the reason for the proposal, and the C.V.s of the candidates, etc., we present here the exact wording submitted by the Proposing Shareholder.

Please see Appendix 3 for details (including the C.V.'s etc. of each candidate, and the "Summary of the reasons for nominating them as Director candidates, their expected roles, etc.") of the candidates in Item No. 5 (shareholder proposal).

1. Summary of item

To appoint as Director Katsuya Natori, Dene Rogers, Ronald Gill and Brittni Levinson.

2. Reason for proposal (Note by company: Includes Director nominees in Item No. 4)

1. A Strengthened Board of Directors

We propose to a strengthened Board of Directors, which replaces 4 incumbent Directors of the Company with 4 new Independent Outside Directors. Collectively, the new Board will have the experience and authority needed to upgrade the leadership of the Company and appoint a new President and Representative Director. The new President and Representative Director would, working together with whole Board, establish and execute upon a global vision for 7-Eleven, independently consider all strategic options – including a spin-off of 7-Eleven via a tax-free dividend of 7-Eleven shares estimated to be worth over 8,500 JPY per share – and effectively represent shareholder interests to ensure the long-term sustainable growth of the Company.

More information is available at <http://valueact.com/presentations>.

For details on how each candidate will contribute to the Company's growth, please refer to the "Reasons for nomination as a Director candidate" section included in each candidate's brief biography.

2. Shareholders Should Oppose the Reappointment of Mr. Isaka and Mr. Goto as Representative Directors

Mr. Isaka and Mr. Goto have been Representative Directors and members of the Nomination Committee since 2016. Since then, the Company has experienced lower ROE and total shareholder return relative to global peers. Mr. Isaka and Mr. Goto have preserved the status quo of the conglomerate structure and their executive positions within that structure rather than prioritize shareholders' interest. They have:

- A. Pursued a conglomerate strategy that emphasized alleged synergies between a disparate set of businesses. The Company has experienced over 680 billion yen of special losses under present management in pursuit of this conglomerate strategy.
- B. Failed to establish strong global 7-Eleven leadership. 7-Eleven represents over 100% of consolidated adjusted operating profit, of which over 60% is earned overseas. Yet there is no global leader whose sole responsibility is to set and execute upon a global vision for 7-Eleven.
- C. Failed to publicly disclose a reported acquisition proposal in 2020, denying shareholders the opportunity to consider selling at a premium (*).

※ See <https://diamond.jp/premium/dw/dw230121/HTMT.5/pc.html#/page/1>

- D. Impeded an independent review of strategic options by Outside Directors in line with governance best practices. Shareholders have been denied the opportunity to consider a spin-off of 7-Eleven via a tax-free dividend of shares estimated to be worth over 8,500 JPY per share. The Board announced a Strategy Committee but management undermined its independence by simultaneously announcing that the strategic options for the SST Business will not be pursued for three years.
- E. Failed to establish a global environmental sustainability strategy. The Company is one of the largest gasoline retailers in the United States but still does not have a long-term strategy to address environmental risks in this business.

3. Shareholders Should Oppose the Reappointment of Professor Ito (Nomination Committee Chair) and Mr. Yonemura (Member) who have been Outside Directors for nine years.

They have failed in their duties on the Nomination Committee. Board tenure of nine years' compromises independence. Professor Ito has also disclosed a related party transaction with the Company (※). Beyond questionable independence, neither Professor Ito nor Mr. Yonemura have the executive experience to effectively select the Representative Directors of a global company.

※ Please see <https://www2.jpx.co.jp/disc/33820/140120221222582389.pdf>

Despite Mr. Isaka and Mr. Goto's efforts to protect the status quo of the conglomerate structure and their own executive positions during their tenure, the Nomination Committee has not replaced them.

The new Board, which replaces four long-tenured members of Nomination Committee with four

qualified Independent Outside Directors, can select an appropriate leader to prioritize shareholders' interests and lead the company to as a global champion.

3. Our Board of Directors' opinion on the Shareholder Proposal

(1) The opinion of our Board of Directors

The Board **opposes the Shareholder Proposal**.

※However, we do not oppose the items that overlap with our nominee items (Item No. 4, regarding 10 of our current Directors). The same shall apply hereinafter.

(2) The reason for opposing the Shareholder Proposal

The Proposing Shareholder mentions the following points as the main reasons for the Shareholder Proposal, but we would like to explain our views in relation to these points as follows:

Main reasons for the Shareholder Proposal by the Proposing Shareholder (*Please see 1. (2). (iii) above and/or Appendix 3 for details)

(1) A Strengthened Board of Directors

(2) Shareholders should oppose the reappointments of Mr. Isaka and Mr. Goto as Representative Directors

(3) Shareholders should oppose the reappointments of Mr. Ito (Nomination Committee Chair) and Mr. Yonemura (Member), who have been Outside Directors for nine years

Our opinion regarding the reasons for the above Shareholder Proposal

【Steps taken by the current management team: Promotion of the Group's growth strategy based on our strengths in "Food"】

As mentioned above, since the new management structure centered around the current President Ryuichi Isaka was put in place in May 2016, our Group has made a big change in course from our previous strategy of diversifying our business. We announced the Group's Medium-Term Management Plan for the first time, and announced our policy of "Positioning the CVS Business in Japan and the U.S. as the pillar of the Group's growth, and focusing management resources". In July 2021, we set the Group's long-term vision of "Ideal Group image for 2030", and announced the 5-year Medium-Term Management Plan up to fiscal year 2025 to achieve that vision. In this Medium-Term Management Plan, we clarified our policy of selection and concentration of the Group's businesses, based on the business portfolio strategy, and in the same year executed the acquisition of Speedway in the CVS business, following the Sunoco business in 2018, established 7-Eleven International LLC, and in 2023 decided on 7-Eleven International's additional investment and loan to the Vietnam business. We also promoted numerous strategic decisions to enhance the corporate value of the Group, including the disposal

of non-core businesses, and completed the disposal of all shares of OSHMAN'S Japan in 2022, and part of the shares of Francfranc in 2021, as well as announcing the disposal of all shares of Sogo Seibu in 2022.

Moreover, in the Annual Shareholders' Meeting in 2022, we newly appointed 6 outside Directors, and set up a governance structure suitable to the world's top class retail group, as well as changing the Board structure to one which outside Directors form the majority, with the aim of achieving sustainable growth in the global market and enhancing corporate value over the mid-to-long term. Under this new Board and governance structure, we have been making Group Strategy Reevaluation that contribute to enhancing the Group's corporate value, based on the growth potential and profitability of each business segment. As a result, on March 9, 2023, we announced the update to the Medium-Term Management Plan, as well as the results of the Group Strategy Reevaluation, which was supported unanimously by the Board. We set the Group's management policy of further accelerating the ongoing shift away from the previous comprehensive retailer strategy, and focusing on the growth strategy of the CVS Business in Japan and overseas while positioning "Food" as our strength, thereby allocating management resources in an optimal way, and engaging in the Group's growth strategy based on our strengths in "Food", which is the source of the Group's competitiveness. We also decided to set up the Strategy Committee, consisting only of independent outside Directors. The Committee will monitor the progress of the growth strategy of the CVS Business in Japan and overseas, as well as the progress of structural reforms of the superstore business ("SST Business"), analyze and consider the optimal Group business structure to achieve these strategies, as well as strategic options including IPO, spinoff etc., and advise the Board on how to enhance the Group's corporate value over the mid-to-long term.

【Establishing a governance structure suitable for the world's top class retail group】

Since the announcement of the Medium-Term Management Plan in 2021, we have been aspiring to become the world's top class retail group, and under the management structure centered around President Isaka, SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc. and 7-Eleven International LLC are collaborating in promoting our global strategies. In order to reinforce the execution and promotion capabilities of each strategy, we have from April 2023 appointed a Chief x Officer to each business segment and business domain to strengthen the management structure. The Board has confirmed that this shows how the new Board is structured in the optimal way for us to aim to become the world's top class retail group. We therefore see the Shareholder Proposal as inappropriate, due to the fact that while opposing the reappointment of the 2 current Representative Directors, there is no concrete proposal about the leadership to promote our global strategies, and we believe the Proposal is unrealistic for our company.

Moreover, since the new management structure was put in place in 2016, we have been improving and enhancing our corporate governance as well. We set the guideline for Directors, set up the Nomination and Compensation Committees in 2016, and have been establishing and developing corporate governance that is linked to the progress of Group management, such as appointing female Directors, introducing the stock compensation scheme that is linked to our earnings, as well as the separation of the Nomination and Compensation Committees. On top of this, we newly appointed 6 outside Directors in the 2022 Annual Shareholders' Meeting, and shifted to a governance structure suitable for the world's top class retail group, and

changed the composition of the Board to make outside Directors form the majority, with the aim of achieving sustainable growth in the global markets and mid-to-long term corporate value enhancement. Moreover, aside from our outside Directors engaging in “constructive dialogue with shareholders and investors”, we have designated the Lead Independent Outside Director in 2022, with the aim of strengthening the collaboration among outside Directors, as well as enhancing the communication between outside Directors and the management team. As stated in the notice regarding Director appointments that was released today, Mr. Kunio Ito who has contributed as outside Director over many years will be retiring, but Mr. Kunio Ito has thus far taken on the roles of Chairman of the Nomination Committee and Chairman of the Compensation Committee, making a significant contribution to our governance reforms, as well as acting as Lead Independent Outside Director in the new Board that was transformed in the Annual Shareholders’ Meeting last year, leading our reforms towards a governance structure that is suitable for a global retail group. The “Nomination Committee”, which has been chaired by Mr. Kunio Ito and has Mr. Toshiro Yonemura as its member, has been chaired by, as well as having its majority consist of, independent outside Directors. The Committee has utilized the expertise and advice from a diverse range of outside Directors, further ensured objectivity and transparency in the nomination process, and contributed to further enhancing the corporate governance function, including newly appointing 6 outside Directors in the 2022 Annual Shareholders’ Meeting. Moreover, 2 outside Directors were added as Nomination Committee members in December 2022, as well as further improving the objectivity and transparency of the nomination process for Directors etc., and the Board has confirmed that the current structure of the Nomination Committee is the optimal structure.

【Deliberation process for and reasons for objection to nominees by the Proposing Shareholder】

As for Mr. Katsuya Natori, Mr. Dene Rogers, Mr. Ronald Gill and Ms. Brittini Levinson, which are the individuals that have been proposed by the Proposing Shareholder, we have conducted interviews with 3 Directors from our Nomination Committee that have no interests with what is being proposed in the Shareholder Proposal, and the Nomination Committee has advised the Board, following considerations on the criteria and capabilities outlined in the “Directors’ Guideline”, as well as prioritizing the skillsets in areas such as “experience leading a listed company or other relevant organization in a chief executive role”, experience and knowledge to realize the Group’s growth strategy in terms of “Food”, “DX”, and “global management”, and “experience and expertise in business transformation” in line with “Ideal Group image for 2030” which was reviewed based on the results of the aforementioned Group Strategy Reevaluation, and following considerations and deliberations from the standpoint of the roles, functions etc. in the overall Board composition. The Board considered and deliberated based on that advice and, due to the following reasons, decided that there is no need to appoint the 4 candidates in 2.(2) (iii) above or Appendix 3.

- The structure of the new Board that we propose is as follows, with a focus on diversity, and the fact that outside Directors make up the majority.

Internal Directors	6	Of which, 1 is non-Japanese Director
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Outside Directors	9	Of which, 9 are independent outside Directors Of which, 3 are female Directors Of which, 4 are non-Japanese Directors
Total	15	Independent outside Director ratio: 60.0% Female Director ratio: 20.0% Non-Japanese Director ratio: 33.3%

- The new Board structure proposed by the company comprehensively considers the skillsets required of our Directors, and is a well-balanced proposal that will contribute the most in maximizing corporate value also from the perspective of the skill matrix (please see Appendix 4) of the Board composition, and is the optimal structure as the company promotes its growth strategy as a global company.
- Mr. Katsuya Natori, Mr. Dene Rogers, Mr. Ronald Gill and Ms. Brittini Levinson, who were interviewed by the company's Nomination Committee, were assessed, but it did not lead to the conviction that they will exert their capabilities for the enhancement of our corporate value. After comparing with the Director candidates that the company is proposing, with whom the skills overlap, we determined that the candidates proposed by the company were more suitable.
- The reasons outlined in the Shareholder Proposal include various misrepresentations and distortions of the facts regarding the Group's initiatives and progress, especially with respect to the misstatement for the independency of Mr. Ito, resulting in a serious misunderstanding towards the Company based on the Shareholder Proposal.

Based on the above, the company's Board is convinced that the new Director structure proposed by the company is the optimal structure for the company, and oppose the Shareholder Proposal by the Proposing Shareholder.

<Appendix 1> Details of the candidate in the Company Proposal

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
1	<p>Ryuichi Isaka (October 4, 1957) * 15,512 shares <u>Reappointment</u> Term of office: 14 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%) Nomination Committee: 7/7 (100%)</p>	<p>Mar. 1980: Joined Seven-Eleven Japan Co., Ltd. May 2002: Director of Seven-Eleven Japan Co., Ltd. May 2003: Executive Officer of Seven-Eleven Japan Co., Ltd. May 2006: Managing Executive Officer of Seven-Eleven Japan Co., Ltd. May 2009: Representative Director and President of Seven-Eleven Japan Co., Ltd. Chief Operating Officer (COO) of Seven-Eleven Japan Co., Ltd. Director of the Company Apr. 2016: Member of the Nomination and Compensation Committee of the Company May 2016: Representative Director and President of the Company (incumbent) Executive Officer and President of the Company (incumbent) May 2020: Member of the Nomination Committee of the Company (incumbent) Apr. 2023: Chief Executive Officer (CEO) of the Company (incumbent) (Important Concurrent Positions) Director of 7-Eleven, Inc.</p>
<p>[Reasons, etc. for Nomination as Candidate for Director] Mr. Isaka has overseas business experience and a broad range of knowledge of the retail industry cultivated as a president of a Group company and Director of the Company as well as a broad range of knowledge and experience in corporate management including the franchise business, marketing, and management administration, as well as sustainability (addressing environmental and social issues and so forth). Because we would like Mr. Isaka to utilize this knowledge and experience to realize our management plans, and to maximize the Group's corporate value through the generation of new business and through activation of our existing business by means of using the collective capabilities of the retail group, which has various business categories, we would like to request his election as a Director.</p>		

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
2	<p>Katsuhiro Goto (December 20, 1953) * 15,040 shares <u>Reappointment</u> Term of office: 17 years and 8 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%) Nomination Committee: 7/7 (100%)</p>	<p>July 1989: Joined Seven-Eleven Japan Co., Ltd. May 2002: Director of Ito-Yokado Co., Ltd. May 2003: Executive Officer of Ito-Yokado Co., Ltd. May 2004: Managing Director of Ito-Yokado Co., Ltd. Managing Executive Officer of Ito-Yokado Co., Ltd. Sept. 2005: Director of the Company Chief Administrative Officer (CAO) of the Company Mar. 2006: Managing Director of Ito-Yokado Co., Ltd. (newly incorporated company) Managing Executive Officer of Ito-Yokado Co., Ltd. May 2006: Director of Ito-Yokado Co., Ltd. Managing Executive Officer of the Company Director of Millennium Retailing, Inc. Aug. 2009: Director of Sogo & Seibu Co., Ltd. Apr. 2011: Senior Officer of the System Planning Department of the Company Nov. 2014: Head of the Information Management & Security Office of the Company Apr. 2016: Member of the Nomination and Compensation Committee of the Company May 2016: Representative Director and Vice President of the Company (incumbent) Executive Officer and Vice President of the Company (incumbent) In charge of Administrative Divisions and Omni-Channel of the Company June 2017: Director of Seven Bank, Ltd. (incumbent) Mar. 2018: General Manager of the Corporate Digital Strategy & Planning Division of the Company May 2020: Member of the Nomination Committee of the Company (incumbent) Mar. 2022: Director of Seven-Eleven Japan Co., Ltd. (incumbent) Apr. 2023: Chief Administrative Officer (CAO) of the Company (incumbent)</p> <p>(Important Concurrent Positions) Director of Seven-Eleven Japan Co., Ltd. Director of Seven Bank, Ltd.</p>
<p>[Reasons, etc. for Nomination as Candidate for Director] Mr. Goto has a broad range of knowledge of the retail and financial industries cultivated as Director of the Company and its Group companies including a finance-related subsidiary as well as a broad range of knowledge and experience in areas including advertising and branding, management administration, risk management, and so forth. Because we would like Mr. Goto to utilize this knowledge and experience to realize our management plans, and to advance the Group function (strengthening the provision of high value added services and the function of administrative divisions), we would like to request his election as a Director.</p>		

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
3	<p>Toshiro Yonemura (April 26, 1951) * 0 shares <u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 9 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%) Nomination Committee: 7/7 (100%) Compensation Committee: 1/1 (100%)</p>	<p>Apr. 1974: Joined the National Police Agency Aug. 2005: Vice Superintendent General, Tokyo Metropolitan Police Department Aug. 2008: Superintendent General, Tokyo Metropolitan Police Department June 2011: Outside Audit & Supervisory Board Member, Jowa Holdings Company, Limited (currently UNIZO Holdings Company, Limited) Dec. 2011: Deputy Chief Cabinet Secretary for Crisis Management Feb. 2014: Special Advisor to the Cabinet May 2014: Outside Director of the Company (incumbent) June 2014: Outside Director, Jowa Holdings Company, Limited (currently UNIZO Holdings Company, Limited) Mar. 2016: Member of the Nomination and Compensation Committee of the Company May 2020: Member of the Nomination Committee of the Company (incumbent) Dec. 2021: Outside Director of Kansaidengyosha Co., Ltd. (incumbent) Dec. 2022: Chair of the Compensation Committee of the Company (incumbent)</p> <p>(Important Concurrent Positions) Outside Director of Kansaidengyosha Co., Ltd.</p> <p>[Reasons for Nomination as Candidate for Outside Director and outline of expected roles, etc.] Mr. Yonemura has served in important positions such as Superintendent General of the Tokyo Metropolitan Police Department and Deputy Chief Cabinet Secretary for Crisis Management, has served positions such as Chief Security Officer (CSO) of the 2020 Tokyo Organising Committee of the Olympic and Paralympic Games, and has a broad range of high level knowledge and experience regarding organizational management, risk management, etc. Because we would like Mr. Yonemura to utilize this knowledge and experience to realize our management plans and to further improve risk management and the effectiveness of our management and the Board of Directors, we would like to request his election as an outside Director.</p>

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
4	<p>Shinji Wada (April 3, 1952) * 0 shares</p> <p><u>New appointment</u> <u>Outside Director</u> <u>Independent Director</u></p> <p>Term of office: -</p>	<p>Mar. 1977: Joined NIPPON GAS CO., LTD. June 1997: Director of NIPPON GAS CO., LTD. June 2000: Managing Director of NIPPON GAS CO., LTD. Mar. 2003: Director of Tobu Gas Co., Ltd. (currently Tosai Gas ,Inc.) (incumbent) June 2004: Senior Managing Director of NIPPON GAS CO., LTD. June 2005: Representative Director, President of NIPPON GAS CO., LTD. June 2012: Director of KUMONO UCYUSEN CO., LTD. (incumbent) Aug. 2017: Director of Tokyo Energy Alliance Co., Ltd. (incumbent) June 2020: Representative Director, Chief Executive Officer of NIPPON GAS CO., LTD. May 2022: Chairman, Director, Executive Officer of NIPPON GAS CO., LTD. (incumbent)</p> <p>(Important Concurrent Positions) Chairman, Director, Executive Officer of NIPPON GAS CO., LTD.</p> <p>[Reasons for Nomination as Candidate for Outside Director and outline of expected roles, etc.] Mr. Wada has served important positions such as Representative Director at a comprehensive energy company, and has a broad range of high level knowledge and experience in corporate management in retail industry, DX (digital transformation), organizational management and corporate governance. Because we would like Mr. Wada to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an outside Director.</p>

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
5	Fuminao Hachiuma (December 8, 1959) * 0 shares <u>New appointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: -	Apr. 1983: Joined Ajinomoto Co., Inc. July 1998: President of PT AJINOMOTO SALES INDONESIA July 2008: Director and Vice President of America Ajinomoto, Inc. June 2013: Corporate Executive Officer of Ajinomoto Co., Inc. June 2015: Corporate Vice President of Ajinomoto Co., Inc. Representative Director, President of J-OIL MILLS, Inc. June 2016: Representative Director, President and CEO of J-OIL MILLS, Inc. Apr. 2022: Director of J-OIL MILLS, Inc. (Important Concurrent Positions)
<p>[Reasons for Nomination as Candidate for Outside Director and outline of expected roles, etc.] Mr. Hachiuma has a broad range of high level knowledge and experience in corporate management, organizational management, marketing, sustainability as well as abundant international knowledge related to “Food” cultivated through his experience serving in important positions such as Representative Director at food companies in Japan and overseas. Because we would like Mr. Hachiuma to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an outside Director.</p>		

(Notes)

1. The Company established the “Nomination Committee” as an advisory committee to the Board of Directors. The committee’s chair and the majority of its members are Independent Outside Directors. Through the committee’s deliberations on the nomination of Representative Directors, Directors, Audit & Supervisory Board Members, and Executive Officers (hereinafter collectively, “officers, etc.”), the Company utilizes the knowledge and advice of Outside Directors and Outside Audit & Supervisory Board Members, and ensures objectivity and transparency in the procedures for deciding the nomination of officers, etc. thereby enhancing the supervisory function of the Board of Directors and further substantiating corporate governance functions. One internal Audit & Supervisory Board Member and one Outside Audit & Supervisory Board Member act as observers at the “Nomination Committee” since its deliberations include nomination of Audit & Supervisory Board Members, whose duty is to audit the performance of duties by the Directors, and since it is important to ensure due process at the committee as an advisory committee to the Board of Directors.
2. “New appointment” indicates new candidates for Director, and “Reappointment” indicates reappointed candidates for Director.
3. “Outside Director” indicates candidates for Outside Director, and “Independent Director” indicates those candidates for Director who are independent officers as stipulated by the Tokyo Stock Exchange.
4. There is no special relationship of interest between each of the above candidates and the Company.
5. Messrs. Toshiro Yonemura, Shinji Wada and Fuminao Hachiuma satisfy the requirements for nomination for the office of Outside Director. In addition, Messrs. Toshiro Yonemura, Shinji Wada and Fuminao Hachiuma are neither a spouse nor relative within the third degree of relationship, etc., of the business administrators or officer of the Company or the specified relation business associates of the Company.
6. The Company has concluded an agreement with each of the Outside Directors as per Article 427, Paragraph 1 of the Companies Act, limiting their liability for compensation for damage under Article 423, Paragraph 1 of the Companies Act. These agreements limit the amount of their liability for compensation for damage to the minimum legally stipulated amounts. If the new appointments/reappointments of the candidates for Outside Director are approved, the Company intends to conclude or continue its liability limitation agreement with each of them.

7. The Company has entered into a directors' and officers' liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company; the contract is scheduled to be renewed in September 2023. Each of the candidates above who are incumbent Directors is currently insured under the contract, and if the new appointment/reappointment of the above candidates for Director is approved, they will be insured under the contract. The brief overview of the said insurance contract is as follows:
 - (1) Scope of the insured individuals
Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries (excluding certain subsidiaries)
 - (2) The ratio of premiums to be actually borne by the insured individuals
The Company will bear the full amount of insurance premiums, and thus, the insured individuals need not to bear any premiums.
 - (3) Outline of insured events covered by the said insurance
The contract covers damage (including the legal compensation for damages and legal fees) that may be incurred by the insured individuals due to claims filed against them in relation to the execution of their duties as officers of the Company (including omissions) during the insurance term. However, the coverage is subject to certain exclusions, such as in cases where violations of laws and regulations were knowingly committed.
8. Mr. Toshiro Yonemura is an Independent Director in accordance with the rules of the Tokyo Stock Exchange, and satisfy the independence standards for outside officers established by the Company.
9. The Company intends to designate Messrs. Shinji Wada and Fuminao Hachiuma as Independent Directors in accordance with the rules of the Tokyo Stock Exchange, and accordingly intends to submit a report to the Tokyo Stock Exchange. In addition, they satisfy the independence standards for outside officers established by the Company.
10. The Company uses the independence standards established by the financial instruments exchanges as the independence standards for the Company's Outside Directors and Outside Audit & Supervisory Board Members, and with respect to the de minimis thresholds for information disclosure regarding the attributes of Independent Directors and Independent Audit & Supervisory Board Members as negligible, "transactions" are "less than 1% of the non-consolidated revenues from operations of the Company for the most recent accounting period," and "donations" are "less than ¥10 million," in the most-recent business year of the Company.
11. "Term of office" refers to the term of office as of the conclusion of this Annual Shareholders' Meeting.
12. Attendance at meetings of the Board of Directors and other meetings is the status of attendance during the 18th fiscal year.
13. The brief personal history, etc. of each of the above candidates is as of April 18, 2023.

<Appendix 2> Details of the candidate in the Company Proposal and the Shareholder Proposal

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
1	<p>Junro Ito (June 14, 1958) * 3,173,003 shares <u>Reappointment</u> Term of office: 14 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%) Compensation Committee: 3/3 (100%)</p>	<p>Aug. 1990: Joined Seven-Eleven Japan Co., Ltd. May 2002: Director of Seven-Eleven Japan Co., Ltd. May 2003: Executive Officer of Seven-Eleven Japan Co., Ltd. Jan. 2007: Managing Executive Officer of Seven-Eleven Japan Co., Ltd. May 2009: Director of the Company Executive Officer of the Company Senior Officer of the Corporate Development Department of the Company Apr. 2011: Senior Officer of the CSR Management Department of the Company May 2015: Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2016: In charge of Group Corporate Support of the Company July 2016: Senior Officer of the Corporate Support Department of the Company Dec. 2016: Managing Executive Officer of the Company Head of the Corporate Development Office of the Company Mar. 2017: Director of Ito-Yokado Co., Ltd. Mar. 2018: General Manager of the Corporate Development Division of the Company July 2019: Outside Director of AIN HOLDINGS INC. (incumbent) May 2020: Member of the Compensation Committee of the Company (incumbent) Sept. 2021: Representative Director of Ito-Kogyo Co., Ltd. (incumbent) Apr. 2023: Representative Director of the Company (incumbent) Senior Managing Executive Officer of the Company (incumbent) Chief Sustainability Officer (CSuO) of the Company (incumbent) General Manager of ESG Development Division of the Company (incumbent) Supervising Officer of Superstore operations of the Company (incumbent)</p> <p>(Important Concurrent Positions) Outside Director of AIN HOLDINGS INC. Representative Director of Ito-Kogyo Co., Ltd.</p>
<p>[Reasons, etc. for Nomination as Candidate for Director given by the Company] Mr. Ito has overseas business experience and a broad range of knowledge of the retail industry cultivated as Director of the Company and its Group companies as well as a broad range of knowledge and experience in ESG (Environment, Social, Governance), risk management, accounting and finance, social marketing, and so forth. Because we would like Mr. Ito to utilize this knowledge and experience to realize our management plans, to enhance its corporate value including non-financial aspects, and to smoothly execute group management, we would like to request his election as a Director. [Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders] Mr. Ito is responsible for the day-to-day operations of the Seven & i Holdings corporate development division. As a member of the founding family, Mr. Ito also has significant institutional knowledge regarding the company's core principles and long-term vision. Electing Mr. Ito as a Director of the Company ensures continuity in business operations and Board-level institutional knowledge. For these reasons, ValueAct proposes Mr. Ito as a Director.</p>		

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
	(Special conflicts of interest) There are no special conflicts of interest between Junro Ito and the Company. Note from Company: "Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders" are presented here exactly as submitted by the requesting shareholders.	

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
2	<p>Fumihiko Nagamatsu (January 3, 1957) * 14,500 shares <u>Reappointment</u> Term of office: 5 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%)</p>	<p>Mar. 1980: Joined Seven-Eleven Japan Co., Ltd. May 2004: Executive Officer of Seven-Eleven Japan Co., Ltd. Mar. 2014: Representative Director and Vice President of Nissen Holdings Co., Ltd. Mar. 2015: Executive Officer of the Company May 2017: Senior Officer of the Personnel Planning Department of the Company Dec. 2017: Executive Officer of Seven-Eleven Japan Co., Ltd. Mar. 2018: General Manager of the Corporate Personnel Planning Division of the Company Director of Seven-Eleven Japan Co., Ltd. Director of Seven & i Food Systems Co., Ltd. May 2018: Director of the Company (incumbent) Mar. 2019: Director and Vice President of Seven-Eleven Japan Co., Ltd. Apr. 2019: Representative Director and President of Seven-Eleven Japan Co., Ltd. (incumbent) Apr. 2023: Senior Managing Executive Officer of the Company (incumbent) Head of Domestic CVS operations (Japan) of the Company (incumbent)</p> <p>(Important Concurrent Positions) Representative Director and President of Seven-Eleven Japan Co., Ltd. Director of 7-Eleven, Inc.</p>
<p>[Reasons, etc. for Nomination as Candidate for Director given by the Company] Mr. Nagamatsu has a broad range of knowledge of the retail industry cultivated as a president of a Group company and Director of the Company as well as a broad range of knowledge and experience relating to company management including the franchise business, management administration, personnel management, etc. Because we would like Mr. Nagamatsu to utilize this knowledge and experience to realize our management plans, to advance Group functions, and to pursue Group synergies, we would like to request his election as a Director.</p> <p>[Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders] Mr. Nagamatsu is the Representative Director and President of Seven-Eleven Japan, responsible for 7-Eleven's operations in Japan. Electing Mr. Nagamatsu as a Director of the Company brings operational continuity to this key 7-Eleven region. For these reasons, ValueAct proposes Mr. Nagamatsu as a Director.</p> <p>(Special conflicts of interest) There are no special conflicts of interest between Fumihiko Nagamatsu and the Company. Note from Company: "Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders" are presented here exactly as submitted by requesting shareholders.</p>		

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
3	<p>Joseph Michael DePinto (November 3, 1962) * 6,000 shares <u>Reappointment</u> Term of office: 8 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 16/17 (94.1%)</p>	<p>Sept. 1995: Joined Thornton Oil Corporation June 1999: Senior Vice President and Chief Operating Officer (COO) of Thornton Oil Corporation Mar. 2002: Joined 7-Eleven, Inc. Manager of 7-Eleven, Inc. Apr. 2003: Vice President and General Manager of Operations of 7-Eleven, Inc. Dec. 2005: Director and President and Chief Executive Officer (CEO) of 7-Eleven, Inc. (incumbent) Aug. 2010: Director of Brinker International, Inc. (Non-Executive) Nov. 2013: Chairman of the Board of Brinker International, Inc. (Non-Executive) (incumbent) May 2015: Director of the Company (incumbent) Mar. 2021: Director of DHC Acquisition Corp. (Non-Executive) (incumbent) Apr. 2023: Senior Managing Executive Officer of the Company (incumbent) Head of Overseas CVS operations (North America) of the Company (incumbent)</p> <p>(Important Concurrent Positions) Director and President and Chief Executive Officer (CEO) of 7-Eleven, Inc. Chairman of the Board of Brinker International, Inc. (Non-Executive) Director of DHC Acquisition Corp. (Non-Executive)</p> <p>[Reasons, etc. for Nomination as Candidate for Director given by the Company] Mr. DePinto has a broad range of knowledge of the international retail business cultivated as a president of our American Group company and as Director of the Company as well as a broad range of knowledge and experience relating to company management, the franchise business, management administration, marketing and so forth. Because we would like Mr. DePinto to utilize this knowledge and experience to realize our management plans, to provide advice to the Company’s Board of Directors from an international perspective, and to promote our global management, we would like to request his election as a Director. [Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders] Mr. DePinto is a Director and the President and CEO of 7-Eleven, Inc., responsible for 7-Eleven’s operations in North America. Electing Mr. DePinto as a Director of the Company brings operational continuity to this key 7-Eleven region. For these reasons, ValueAct proposes Mr. DePinto as a Director. (Special conflicts of interest) There are no special conflicts of interest between Joseph Michael DePinto and the Company. Note from Company: “Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders” are presented here exactly as submitted by the requesting shareholders.</p>

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
4	<p>Yoshimichi Maruyama (November 2, 1959) * 1,800 shares <u>Reappointment</u> Term of office: 3 years and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 17/17 (100%) Compensation Committee: 1/1 (100%)</p>	<p>Apr. 1982: Joined The Long-Term Credit Bank of Japan, Limited July 2008: Joined the Company May 2012: Senior Officer of the Risk Management Department of the Company Nov. 2014: Senior Officer of the Information Management & Security Office of the Company July 2016: Senior Officer of the Corporate Planning Department of the Company Dec. 2016: Senior Officer of the Corporate Development Department of the Company May 2017: Executive Officer of the Company Senior Officer of the Finance Planning Department of the Company Representative Director and President of SEVEN & i Financial Center Co., Ltd. (incumbent) Oct. 2017: Representative Director and President of Seven & i Asset Management Co., Ltd. Mar. 2018: General Manager of the Corporate Finance & Accounting Division of the Company (incumbent) May 2020: Director of the Company (incumbent) Mar. 2022: Managing Executive Officer of the Company (incumbent) May 2022: Member of the Compensation Committee of the Company (incumbent) Apr. 2023: Chief Financial Officer (CFO) of the Company (incumbent)</p> <p>(Important Concurrent Positions) Representative Director and President of SEVEN & i Financial Center Co., Ltd. Director of 7-Eleven, Inc.</p>
<p>[Reasons, etc. for Nomination as Candidate for Director given by the Company] Mr. Maruyama has business experience in a financial institution and a broad range of knowledge relating to the Group’s overall operations cultivated as a senior officer in the risk management division of the Company and the finance division of the Company as well as a broad range of knowledge and experience relating to risk management, finance and accounting, and so forth. Because we would like Mr. Maruyama to utilize this knowledge and experience to realize our management plans, to stabilize the Group’s financial base, and to strengthen financial discipline, we would like to request his election as a Director.</p> <p>[Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders] Mr. Maruyama is responsible for the day-to-day operations of the Seven & i Holdings finance and risk management functions. Electing Mr. Maruyama as a Director of the Company brings operational continuity to these functions. For these reasons, ValueAct proposes Mr. Maruyama as a Director. (Special conflicts of interest) There are no special conflicts of interest between Yoshimichi Maruyama and the Company.</p> <p>Note from Company: “Reasons, etc. for Nomination as Candidate for Director given by the Requesting Shareholders” are presented here exactly as submitted by the requesting shareholders.</p>		

Candidate No.	Name (Date of birth) * Number of shares of the Company owned Term of office	Brief personal history, position, area of responsibility, and important concurrent positions
5	<p>Yoshiyuki Izawa (February 10, 1948) * 200 shares <u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 11/12 (91.7%) Nomination Committee: 2/2 (100%)</p>	<p>Apr. 1970: Joined MITSUI & CO., LTD. June 2000: Director of MITSUI & CO., LTD. Apr. 2004: Executive Managing Officer of MITSUI & CO., LTD. Apr. 2007: Senior Executive Managing Officer of MITSUI & CO., LTD. June 2007: Representative Director, Senior Executive Managing Officer of MITSUI & CO., LTD. Apr. 2008: Representative Director, Executive Vice President of MITSUI & CO., LTD. (Retired in November 2009) Dec. 2009: President & CEO, Representative Executive Officer of JAPAN POST BANK Co., Ltd. June 2010: Director and Representative Executive Officer, Executive Vice President of JAPAN POST HOLDINGS Co., Ltd. June 2013: Director of JAPAN POST HOLDINGS Co., Ltd. May 2015: Chairman & CEO, Representative Director of BlackRock Japan Co., Ltd. Apr. 2021: Director and Chairman of BlackRock Japan Co., Ltd. (Retired in March 2022) May 2022: Outside Director (Member of the Audit and Supervisory Committee) of Nitori Holdings Co., Ltd. (incumbent) Outside Director of the Company (incumbent) June 2022: Outside Director of Sanoh Industrial Co., Ltd. (incumbent) Dec. 2022: Member of the Nomination Committee of the Company (incumbent)</p> <p>(Important Concurrent Positions) Outside Director (Member of the Audit and Supervisory Committee) of Nitori Holdings Co., Ltd. Outside Director of Sanoh Industrial Co., Ltd.</p> <p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.] Mr. Izawa has a broad range of high level knowledge in international corporate management, business administration, finance and accounting, sustainability and capital markets, and as well as his experience served as a Representative Director of a trading company and a financial institution, and has served such important positions as Chairman & CEO, Representative Director of BlackRock Japan Co., Ltd. Because we would like Mr. Izawa to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director. [Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.] Mr. Izawa is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch -without interference. Mr. Izawa in particular brings significant capital markets expertise. For these reasons, ValueAct proposes Mr. Izawa as an Outside Director. (Special conflicts of interest) There are no special conflicts of interest between Yoshiyuki Izawa and the Company. Note from Requesting Shareholders: Mr. Izawa is Candidate for Outside Director. Note from Company: “Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders” are presented here exactly as submitted by the requesting shareholders.</p>

<p>6</p>	<p>Meyumi Yamada (August 30, 1972) * 0 shares</p> <p><u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 12/12 (100%) Nomination Committee: 3/3 (100%)</p>	<p>Apr. 1995: Joined KOEI KOGYO Co., Ltd. May 1997: Joined Kiss Me Cosmetics Co., Ltd. (currently ISEHAN Co., Ltd.)</p> <p>July 1999: Representative Director of istyle LLC Apr. 2000: Representative Director of istyle Inc. Dec. 2009: Director of istyle Inc. (incumbent) May 2012: Representative Director and President of Cyberstar Co., Ltd.</p> <p>Sept. 2015: Director of MEDIA GLOBE CO., LTD. (incumbent) Mar. 2016: Representative Director and President of ISPartners Inc. Sept. 2016: Director of Eat Smart, Inc. June 2017: Outside Director of JAPAN POST INSURANCE Co., Ltd. Outside Director of SEINO HOLDINGS CO., LTD. (incumbent)</p> <p>Nov. 2019: Director of ISPartners Inc. June 2021: Outside Director of Sompo Holdings, Inc. (incumbent) May 2022: Outside Director of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent)</p> <p>(Important Concurrent Positions) Director of istyle Inc. Outside Director of SEINO HOLDINGS CO., LTD. Outside Director of Sompo Holdings, Inc.</p>
	<p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.] Ms. Yamada has a broad range of high level knowledge and experience in EC (e-commerce), DX (digital transformation), organizational management, marketing, sustainability, among others, which she has cultivated through the operation of “@cosme,” one of Japan’s largest cosmetics and beauty portal sites, and through starting up a women’s skill development and job hunting support business. Because we would like Ms. Yamada to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director.</p> <p>[Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.] Ms. Yamada is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch - without interference. Ms. Yamada in particular brings significant retail e-commerce expertise. For these reasons, ValueAct proposes Ms. Yamada as an Outside Director. (Special conflicts of interest) There are no special conflicts of interest between Meyumi Yamada and the Company.</p> <p>Note from Requesting Shareholders: Ms. Yamada is Candidate for Outside Director. Note from Company: “Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders” are presented here exactly as submitted by the requesting shareholders.</p>	

7	<p>Jenifer Simms Rogers (June 22, 1963) * 0 shares <u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 12/12 (100%) Compensation Committee: 1/1 (100%)</p>	<p>Sept. 1989: Joined Haight Gardner Poor & Havens (currently Holland & Knight LLP) Dec. 1990: Registered as Attorney at Law (the State of New York) Feb. 1991: Joined Industrial Bank of Japan Limited (currently Mizuho Bank, Ltd.) Dec. 1994: Joined Merrill Lynch Japan Securities Co., Ltd. Nov. 2000: Merrill Lynch Europe Plc July 2006: Merrill Lynch (Asia Pacific) Limited (currently Bank of America Corporation) (Hong Kong) Jan. 2012: Bank of America Merrill Lynch (currently Bank of America Corporation) (New York) Nov. 2012: General Counsel Asia of Asurion Asia Pacific Limited (Hong Kong) Nov. 2014: General Counsel Asia of Asurion Japan Holdings G.K. (incumbent) June 2015: External Director of Mitsui & Co., Ltd. (incumbent) June 2018: Outside Director of Kawasaki Heavy Industries, Ltd. (incumbent) June 2019: Outside Director of Nissan Motor Co., Ltd. (incumbent) Jan. 2021: President of American Chamber of Commerce in Japan May 2022: Outside Director of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent)</p> <p>(Important Concurrent Positions) General Counsel Asia of Asurion Japan Holdings G.K. External Director of Mitsui & Co., Ltd. Outside Director of Kawasaki Heavy Industries, Ltd. Outside Director of Nissan Motor Co., Ltd.</p>
	<p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.] Mr. Rogers has experience working for international financial institutions as an In-House Counsel, as well as extensive experience as President of the American Chamber of Commerce in Japan and as an Outside Director at other companies, and through said experience she has cultivated a high level of insight into global legal and risk management, finance and accounting, and sustainability, etc. Because we would like Ms. Rogers to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director. [Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.] Ms. Rogers is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch - without interference. Ms. Rogers in particular brings significant legal and risk management expertise. For these reasons, ValueAct proposes Ms. Rogers as an Outside Director. (Special conflicts of interest) There are no special conflicts of interest between Jenifer Simms Rogers and the Company. Note from Requesting Shareholders: Ms. Jenifer Simms Rogers is Candidate for Outside Director. Note from Company: "Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders" are presented here exactly as submitted by the requesting shareholders.</p>	

8	<p>Paul Yonamine (August 20, 1957) * 0 shares</p> <p><u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u></p> <p>Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 12/12 (100%)</p>	<p>June 1979: Joined Peat, Marwick, Mitchell & Co. (currently KPMG LLP)</p> <p>May 1983: Registered as U.S. Certified Public Accountant</p> <p>Apr. 1995: Managing Partner of KPMG LLP Hawaii</p> <p>Mar. 1997: Representative Partner of KPMG Global Solutions LLC (currently PwC Advisory LLC)</p> <p>Aug. 2001: Representative Partner and Chairman of KPMG Global Solutions LLC</p> <p>Apr. 2006: President and CEO of Hitachi Consulting Co., Ltd.</p> <p>May 2010: VP & CFO of IBM Japan, Ltd.</p> <p>Apr. 2013: Vice President of IBM Japan, Ltd.</p> <p>Jan. 2015: President of IBM Japan</p> <p>Mar. 2017: Director of GCA Corporation</p> <p>June 2017: Director of Central Pacific Bank</p> <p>July 2017: Director and Chairman of GCA Corporation</p> <p>Oct. 2018: Director and Non-executive Chairman of GCA Corporation</p> <p>Chairman & CEO of Central Pacific Financial Corp. Executive Chairman of Central Pacific Bank</p> <p>June 2019: Outside Director of Sumitomo Mitsui Banking Corporation (incumbent)</p> <p>Dec. 2020: Outside Director of circlace Inc. (incumbent)</p> <p>May 2022: Outside Director of the Company (incumbent)</p> <p>Jan. 2023: Chairman Emeritus & Director (Non Executive Director) of Central Pacific Financial Corp. (incumbent) Chairman Emeritus & Director (Non Executive Director) of Central Pacific Bank (incumbent)</p> <p>(Important Concurrent Positions) Chairman Emeritus & Director (Non Executive Director) of Central Pacific Financial Corp. Chairman Emeritus & Director (Non Executive Director) of Central Pacific Bank Outside Director of Sumitomo Mitsui Banking Corporation Outside Director of circlace Inc.</p>
<p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.]</p> <p>Mr. Yonamine has a broad range of high level knowledge and experience in DX (digital transformation), organizational management, and finance and accounting, etc. cultivated through his extensive management experience at consulting firms, as President of IBM Japan, Ltd. and as CEO of overseas financial institutions, among others.</p> <p>Because we would like Mr. Yonamine to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director.</p> <p>[Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.]</p> <p>Mr. Yonamine is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch - without interference. Mr. Yonamine in particular brings significant public company CEO expertise. For these reasons, ValueAct proposes Mr. Yonamine as an Outside Director.</p> <p>(Special conflicts of interest) There are no special conflicts of interest between Paul Yonamine and the Company.</p> <p>Note from Requesting Shareholders: Mr. Paul Yonamine is Candidate for Outside Director. Note from Company: "Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders" are presented here exactly as submitted by the requesting shareholders.</p>		

<p>9</p>	<p>Stephen Hayes Dacus (November 7, 1960) * 0 shares <u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 12/12 (100%) Nomination Committee: 2/2 (100%)</p>	<p>Sept. 1983: Joined Northrop Corporation (currently Northrop Grumman Corporation) Sept. 1985: Joined Coopers & Lybrand L.L.P. (currently Pricewaterhouse Coopers) Mar. 1994: Joined Mars, Incorporated June 2001: CEO of MasterFoods Ltd. Sept. 2005: Senior Vice President of FAST RETAILING CO., LTD. July 2007: Senior Vice President of Walmart Stores, Inc. Apr. 2010: Executive Vice President of Walmart Japan Holdings G.K. (currently Seiyu Holdings Co., Ltd.) June 2011: CEO of Walmart Japan Holdings G.K. Oct. 2015: Outside Director of Sushiro Global Holdings Co. ,Ltd. (currently FOOD & LIFE COMPANIES LTD.) July 2016: Chairman and Representative Director of Sushiro Global Holdings Co. ,Ltd. May 2019: Non-executive Director of Hana Group SAS June 2019: CEO of Hana Group SAS July 2020: Chairman of the Supervisory Board of Hana Group SAS (incumbent) Nov. 2021: Chairman of Daiso California L.L.C. (incumbent) May 2022: Outside Director of the Company (incumbent) Dec. 2022: Member of the Nomination Committee of the Company (incumbent)</p> <p>(Important Concurrent Positions) Chairman of the Supervisory Board of Hana Group SAS Chairman of Daiso California L.L.C.</p>
<p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.] Mr. Dacus has served as a corporate executive officer in the retail industry and other industries both in the U.S. and Japan, and has a broad range of high level knowledge and experience in corporate management, marketing, finance and accounting, etc. cultivated through abundant global business experience. Because we would like Mr. Dacus to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request his election as an Outside Director.</p> <p>[Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.] Mr. Dacus is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch -without interference. Mr. Dacus in particular brings significant retail operations expertise. For these reasons, ValueAct proposes Mr. Dacus as an Outside Director. (Special conflicts of interest) There are no special conflicts of interest between Stephen Hayes Dacus and the Company.</p> <p>Note from Requesting Shareholders: Mr. Stephen Hayes Dacus is Candidate for Outside Director. Note from Company: “Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders” are presented here exactly as submitted by the Requesting Shareholders.</p>		

	<p>Elizabeth Miin Meyerdirk (December 1, 1981) * 0 shares</p> <p><u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Term of office: 1 year and 0 months</p> <p><u>Attendance at meetings</u> Board of Directors: 12/12 (100%)</p>	<p>June 2003: Joined Morgan Stanley Aug. 2005: Joined TCMI, Inc. Feb. 2009: Senior Director of MedeAnalytics, Inc. July 2009: Associate Vice President of MedeAnalytics, Inc. Feb 2011: Senior Director of Practice Fusion, Inc. Jan. 2012: Vice President of Practice Fusion, Inc. Mar. 2012: Vice President of viagogo Entertainment, Inc. June 2015: Uber Technologies, Inc. Head of Strategy & Business Development, at Uber Eats, a division of Uber Technologies, Inc. June 2018: Uber Technologies, Inc. Senior Director & Head of Strategy & Business Development at Uber Eats, a division of Uber Technologies, Inc. Sept. 2019: Uber Technologies, Inc. Senior Director & Head of Strategy & Business Development; Head of Ads Marketplace at Uber Eats , a division of Uber Eats, Uber Technologies, Inc. Dec. 2020: Chairwoman & CEO of Hey Favor, Inc. (incumbent) May 2022: Outside Director of the Company (incumbent) (Important Concurrent Positions) Chairwoman & CEO of Hey Favor, Inc.</p>
10	<p>[Reasons for Nomination as Candidate for Outside Director and Outline of Expected Roles, etc. given by Company.] Ms. Meyerdirk has a broad range experiences and a high level knowledge in DX (digital transformation), marketing, finance and accounting, and other fields, cultivated through her experience as a co-founder of Uber Eats, a division of Uber Technologies, Inc. in the United States and her management of e-commerce companies and other positions, globally. Because we would like Ms. Meyerdirk to utilize this knowledge and experience to realize our management plans and to further improve the effectiveness of our management and the Board of Directors, we would like to request her election as an Outside Director. [Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders.] Ms. Meyerdirk is one of the six Outside Directors elected at the 2022 AGM to bring fresh perspective to the Board and re-evaluate the corporate strategy from scratch. We commend the efforts of all six Outside Directors over the last year. By replacing the four Directors who we believe have been obstacles to progress over the last year, we enable these six Outside Directors to fulfill their initial mandate - to re-evaluate the strategy from scratch - without interference. Ms. Meyerdirk in particular brings significant food delivery e-commerce expertise. For these reasons, ValueAct proposes Ms. Meyerdirk as an Outside Director. (Special conflicts of interest) There are no special conflicts of interest between Elizabeth Miin Meyerdirk and the Company. Note from Requesting Shareholders: Ms. Elizabeth Miin Meyerdirk is Candidate for Outside Director. Note from Company: “Reasons for Nomination as Candidate for Director and Outline of Expected Roles, etc. given by Requesting Shareholders” are presented here exactly as submitted by the requesting shareholders.</p>	

(Notes)

- The Company established the “Nomination Committee” as an advisory committee to the Board of Directors. The committee’s chair and the majority of its members are Independent Outside Directors. Through the committee’s deliberations on the nomination of Representative Directors, Directors, Audit & Supervisory Board Members, and Executive Officers (hereinafter collectively, “officers, etc.”), the Company utilizes the knowledge and advice of Outside Directors and Outside Audit & Supervisory Board Members, and ensures objectivity and transparency in the procedures for deciding the nomination of officers, etc. thereby enhancing the supervisory function of the Board of Directors and further substantiating corporate governance functions. One internal Audit & Supervisory Board Member and one Outside Audit & Supervisory Board Member act as observers at the “Nomination Committee” since its deliberations include nomination of Audit & Supervisory Board Members, whose duty is to audit the performance of duties by the Directors, and since it is important to ensure due process at the committee as an advisory committee to the Board of Directors.

2. “Reappointment” indicates reappointed candidates for Director.
3. “Outside Director” indicates candidates for Outside Director, and “Independent Director” indicates those candidates for Director who are independent officers as stipulated by the Tokyo Stock Exchange.
4. There is no special relationship of interest between each of the above candidates and the Company.
5. Mr. Yoshiyuki Izawa, Mses. Meyumi Yamada, Jenifer Simms Rogers, Messrs. Paul Yonamine, Stephen Hayes Dacus, and Ms. Elizabeth Miin Meyerdirk satisfy the requirements for nomination for the office of Outside Director. In addition, Mr. Yoshiyuki Izawa, Mses. Meyumi Yamada, Jenifer Simms Rogers, Messrs. Paul Yonamine, Stephen Hayes Dacus, and Ms. Elizabeth Miin Meyerdirk are neither a spouse nor relative within the third degree of relationship, etc., of the business administrators or officer of the Company or the specified relation business associates of the Company.
6. During her tenure at JAPAN POST INSURANCE Co., Ltd., where Ms. Meyumi Yamada served as an Outside Director until June 15, 2022, a case came to light concerning policy transfers, etc. that may have caused disadvantage to customers by not complying with their wishes. Although the company received an administrative action from the Financial Services Agency on December 27, 2019, based on the Insurance Business Act and other relevant laws, Ms. Yamada fulfilled her responsibilities by making proposals from the perspective of legal compliance and customer compliance management, and by making proposals for customer protection and prevention of recurrence after the incident was discovered. Subsequently, the company’s Board of Directors received regular reports on the progress of the business improvement plan and appropriately monitored the content and progress of various initiatives.
7. The Company has concluded an agreement with each of the Outside Directors as per Article 427, Paragraph 1 of the Companies Act, limiting their liability for compensation for damage under Article 423, Paragraph 1 of the Companies Act. These agreements limit the amount of their liability for compensation for damage to the minimum legally stipulated amounts. If the reappointments of the candidates for Outside Director are approved, the Company intends to continue its liability limitation agreement with each of them.
8. The Company has entered into a directors’ and officers’ liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company; the contract is scheduled to be renewed in September 2023. Each of the candidates above who are incumbent Directors is currently insured under the contract, and if the reappointment of the above candidates for Director is approved, they will be insured under the contract. The brief overview of the said insurance contract is as follows:
 - (1) Scope of the insured individuals
Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries (excluding certain subsidiaries)
 - (2) The ratio of premiums to be actually borne by the insured individuals
The Company will bear the full amount of insurance premiums, and thus, the insured individuals need not to bear any premiums.
 - (3) Outline of insured events covered by the said insurance
The contract covers damage (including the legal compensation for damages and legal fees) that may be incurred by the insured individuals due to claims filed against them in relation to the execution of their duties as officers of the Company (including omissions) during the insurance term. However, the coverage is subject to certain exclusions, such as in cases where violations of laws and regulations were knowingly committed.
9. Mr. Yoshiyuki Izawa, Mses. Meyumi Yamada, Jenifer Simms Rogers, Messrs. Paul Yonamine, Stephen Hayes Dacus, and Ms. Elizabeth Miin Meyerdirk are Independent Directors in accordance with the rules of the Tokyo Stock Exchange, and satisfy the independence standards for outside officers established by the Company.
10. The Company uses the independence standards established by the financial instruments exchanges as the independence standards for the Company’s Outside Directors and Outside Audit & Supervisory Board Members, and with respect to the de minimis thresholds for information disclosure regarding the attributes of Independent Directors and Independent Audit & Supervisory Board Members as negligible, “transactions” are “less than 1% of the non-consolidated revenues from operations of the Company for the most recent accounting period,” and “donations” are “less than ¥10 million,” in the most-recent business year of the Company.
11. “Term of office” refers to the term of office as of the conclusion of this Annual Shareholders’ Meeting.
12. Attendance at meetings of the Board of Directors and other meetings is the status of attendance during the 18th fiscal year.
13. The brief personal history, etc. of each of the above candidates is as of April 18, 2023.

<**Appendix 3**> Details of the candidate in the Shareholder Proposal

Brief Biography of the candidate

Candidate No. 1

Katsuya Natori		Birthdate: May 15, 1959
		Number of Company Shares Owned: 0 shares
<p>■ Brief biography, position at Company, area of responsibility, other important positions</p>		
1986	Graduation from the Supreme Court of Japan's Legal Training and Research Institute	
1986-1989	Masuda & Ejiri (currently Nishimura & Asahi), Associate Lawyer (Tokyo)	
1990-1991	Davis Wright Tremaine (Seattle), Visiting Lawyer	
1992-1993	Wilmer, Cutler & Pickering (Washington, D.C.), Visiting Lawyer (part time)	
1993-1994	Esso Sekiyu K.K., Counsel	
1995-1997	Apple Computer, Inc., General Counsel	
1998-2001	Sun Microsystems K.K, General Counsel	
2002-2003	Fast Retailing Co., Ltd., General Counsel and Executive Officer for Store Development	
2004-2009	IBM Japan, Ltd., General Counsel	
2010-2011	Global Process Services, IBM Japan, Ltd., Vice President	
2012-	Natori Law Office, Founder	
2012-2019	Olympus Corporation, External Statutory Auditor	
2015-2021	Mitsui Ocean Development & Engineering Co., Ltd., External Director	
2016-	Global One Real Estate Investment Corporation, Supervisory Director	
2019-2021	Olympus Corporation, External Director and Chairman of Audit Committee	
2020-	ITN Law Office, Managing Partner	
2020-	Recruit Holdings Co., Ltd., External Statutory Auditor	
2020-	Circlace Co., Ltd., Member, Outside Audit & Supervisory Board	
2020-	Towns Co., Ltd., External Director	
2021-	Tokyo Rope Mfg. Co., Ltd., External Director	
2023-	Hino Motors Ltd., Member, External Audit and Supervisory Board (Temporary Position)	
<i>Education</i>		
1982	Graduated from Keio University (Bachelor of Arts in Economics)	
1990	Graduated from University of Washington School of Law (L.L.M.)	
1993	Graduated from Georgetown University Graduate School of Business (Master of Business Administration)	
<i>Other</i>		
2004-2018	Graduate Law School, Keio University, Adjunct Professor	
2004-2016	Temple Law School Japan Campus, Professor	
2009	Council of Science and Technology, Cabinet Office, Expert Advisor	
2009	Member of the Study Group for Preventing Recurrence of Unauthorized Corruption Cases of ODA, Ministry of Foreign Affairs	
2013-2015	Bunkyo Gakuin University. Visiting Professor	
2013	Member of the International Intellectual Property Law Study Group	

2018-2019	Chairman of the Study Group on Legal Functions of Japanese Companies to Strengthen International Competitiveness, Ministry of Economy, Trade and Industry
<i>Important Concurrent Positions</i>	Global One Real Estate Investment Corporation, Supervisory Director Recruit Holdings Co., Ltd., External Statutory Auditor Circlace Co., Ltd., Member, Outside Audit & Supervisory Board Tokyo Rope Mfg. Co., Ltd., External Director Hino Motors, Ltd., Member, External Audit and Supervisory Board (Temporary Position) ITN Law Office, Managing Partner
<p>■ Reason for nomination as a Director candidate</p> <p>As a seasoned international lawyer and executive experienced in various Japanese and multinational companies, Mr. Natori has extensive knowledge on a wide range of issues related to the management of public companies. Mr. Natori has also served in governance roles at many leading public companies including as External Statutory Auditor and Outside Director at Olympus Corporation during its corporate transformation. Based on his experience and achievements, Mr. Natori is able to provide insight into corporate governance, executive leadership and corporate transformation that is deeply rooted in practice. For these reasons, ValueAct proposes Mr. Natori as an outside director.</p>	
(Special conflicts of interest) There are no special conflicts of interest between Katsuya Natori and the Company.	

(Note) Katsuya Natori is an outside director candidate.

Candidate No. 2

Dene Rogers		Birthdate: July 1, 1960
		Number of Company Shares Owned: 0 shares
■ Brief biography, position at Company, area of responsibility, other important positions		
1982-1989	Chevron Overseas Petroleum, Engineer	
1989-1990	Claremont Petroleum, Senior Engineer	
1990-1992	Ampol Petroleum, Principal Engineer	
1992-1995	Japan Oil Development Company, Engineer	
1996-1998	Booz Allen Hamilton, Consultant	
1998-2001	GE Capital, Senior Vice President, Global Business Development	
2001-2003	Starwood Hotels & Resorts Worldwide, Senior Vice President, Development, Planning & New Products	
2003-2011	ESL Investments, Member	
2003-2006	Kmart USA Corporation, Executive Vice President	
2006-2011	Sears Canada Inc., Chief Executive Officer and Board Member	
2011-2013	Target Australia Pty Ltd., Chief Executive Officer	
2013-	Presidio & Company, Principal	
2013-	Biosenta Inc., Board Member	
2014-	Buildxact Group Limited, Board Member and Co-Founder	
2016-2017	RadioShack Corporation, Chief Executive Officer and Board Member	
2017-2018	Gymboree Group, Inc., Board Member and Interim Chief Operating Officer and Chief Financial Officer	
2019-2020	Captor Acquisition Corp., Chief Executive Officer	
2021-	Brandstak, Chief Operating Officer and Co-Founder	
Education		
1978-1982	Curtin University (Bachelor of Engineering)	
1995-1997	Yale University (Master of Business Administration)	
2017-2019	University of Oxford (Master of Science)	
<i>Important Concurrent Positions</i>	Presidio & Company, Principal Biosenta Inc., Board Member Buildxact Group Limited, Board Member and Co-Founder Brandstak, COO and Co-Founder	
■ Reason for nomination as a Director candidate		
<p>Mr. Rogers has global experience leading several of the world's most influential and recognizable retailers including as EVP of Kmart USA (\$16 billion in sales), CEO of Sears Canada (\$5.5 billion in sales), and CEO of Target Australia (\$3.5 billion in sales). At Kmart USA Mr. Rogers successfully executed a significant turnaround in profitability through store footprint optimization and operational improvements, and at Sears Canada he grew e-commerce sales to \$1 billion and reinvigorated new customer acquisition. He also provides executive and board leadership to retail and technology companies in his current role as Principal at Presidio & Company. Mr. Rogers brings significant relevant experience to the Company in retail operations, e-commerce, and corporate transformation. Mr. Rogers is also a Japanese speaker. For these reasons, ValueAct proposes Mr. Rogers as an outside director.</p>		
(Special conflicts of interest) There are no special conflicts of interest between Dene Rogers and the Company.		

(Note) Dene Rogers is an outside director candidate.

Candidate No. 3

Ronald Gill		Birthdate: February 25, 1966
		Number of Company Shares Owned: 0 shares
■ Brief biography, position at Company, area of responsibility, other important positions		
1991-1993	Sony Corporation of America, Sr. Financial Analyst, Treasury Dept.	
1993-1995	Sony Corporation, Sr. Financial Analyst, Planning & Control Dept. of Customer Service Division	
1995-1997	Sony Corporation, Finance Manager, Financial Planning & Control Division	
1997-1998	SAP Japan & Northeast Asia, Controller, Northeast Asia Technical Operations	
1998-1999	SAP Japan & Northeast Asia, Director, Northeast Asia Corporate Business Planning,	
1999-1999	SAP Japan & Northeast Asia, Company Vice President, Operations	
1999-2000	Dell Computer Corporation, Sr. Finance Consultant	
2000-2003	Softfront, Inc., Chief Financial Officer	
2003-2006	SAP AG, Chief Controller, Product and Technology Group	
2006-2007	Hyperion Solutions (acquired by Oracle), Vice President, Finance	
2007-2010	NetSuite Inc., Sr. Vice President, Finance	
2010-2017	NetSuite Inc., Chief Financial Officer	
2012-	HubSpot Inc., Chair of Audit Committee and Independent Board Member,	
2018-2018	Duo Security, Chair of Audit Committee and Independent Board Member	
2018	Lead Edge Capital, Operating Partner	
2019-	Amplitude Inc., Chair of Audit Committee, Member of Compensation Committee, and Independent Board Member	
2020-	Benchling, Inc., Chair of Audit Committee and Independent Board Member	
<i>Education</i>		
1991	University of South Carolina (Master of International Business Studies)	
1988	Baylor University (Bachelor of Business Administration)	
<i>Important Concurrent Positions</i>	HubSpot Inc., Chair of Audit Committee and Independent Board Member Lead Edge Capital, Operating Partner Amplitude Inc., Chair of Audit Committee, Member of Compensation Committee, and Independent Board Member Benchling, Inc., Chair of Audit Committee and Independent Board Member	
■ Reason for nomination as a Director candidate		
<p>Mr. Gill has deep experience leading finance organizations at several leading enterprise technology companies, most recently as the Chief Financial Officer of NetSuite, an enterprise technology company acquired by Oracle for \$9.3 billion in 2016. He spent a large part of his career at Japanese technology companies including Sony Corporation and SAP Japan. Mr. Gill is currently an Operating Partner at Lead Edge Capital, which invests in high-growth technology companies. Based on his experience and achievements, Mr. Gill brings relevant perspectives in enterprise technology, finance, accounting, capital markets, and M&A to the Company. Mr. Gill is also a Japanese speaker. For these reasons, ValueAct proposes Mr. Gill as an outside director.</p>		
(Special conflicts of interest) There are no special conflicts of interest between Ronald Gill and the Company.		

(Note) Ronald Gill is an outside director candidate.

Candidate No. 4

Brittini Levinson		Birthdate: December 3, 1984
		Number of Company Shares Owned: 0 shares
■ Brief biography, position at Company, area of responsibility, other important positions		
2007-2009	Lehman Brothers/Barclays Capital, Investment Banking Analyst - Financial Institutions Group	
2009-2011	Thomas H. Lee Partners, Private Equity Associate - Media, Information Services, and Technology Group	
2014-2017	Game Creek Capital, Equity Research Analyst-Technology, Media, and Telecom	
2017-2021	Cascade Asset Management (formerly, Bill & Melinda Gates Investments), Investment Analyst to Chief Investment Officer- Generalist	
2021-	ValueAct Capital, Head of Sustainability	
<i>Education</i>		
2003-2007	Cornell University (Bachelor of Science degree, cum laude, in Applied Economics and Management (Charles H. Dyson School)	
2011-2013	Harvard Business School (Master in Business Administration)	
<i>Important Concurrent Positions</i>	ValueAct Capital, Head of Sustainability Board of Directors of Investor Stewardship Group Member of Council of Institutional Investors Corporate Governance Advisory Council	
<i>Other</i>		
2022-	Investor Stewardship Group, Member of Board of Directors	
2022-	Council of Institutional Investors, Member, Corporate Governance Advisory Council	
■ Reason for nomination as a Director candidate		
<p>Ms. Levinson is a 16-year veteran of the financial services and asset management industries. She has global governance, sustainability, and capital markets expertise. She has investment experience in the public and private markets. She has spent the past 6 years managing sustainability considerations as a driver of shareholder value. Ms. Levinson’s sustainability experience provides valuable insight into managing the risk of and creating opportunities for business models that are affected by the climate transition as well as managing human capital issues such as employee engagement and safety concerns. For these reasons, ValueAct proposes Ms. Levinson as an outside director.</p>		
(Special conflicts of interest) There are no special conflicts of interest between Brittini Levinson and the Company.		

(Note) Brittini Levinson is an outside director candidate.

Note from Company: the content and reason of proposals from shareholders in response to the form requesting shareholder proposals is, in principle, presented here exactly as submitted.

<Appendix 4> Skills matrix of the company's proposed 15 director candidates and 5 Audit and Supervisory

Board members

Major management and industry experience, management skills, knowledge, etc. of Directors and Audit & Supervisory Members after this Annual Shareholders' Meeting (Skills matrix)

Name	Title	Management and Industry Experience				Management Skills, Knowledge, etc.					
		CEO Experience	Retail Experience	International Business Experience	Financial Business Experience	Organizational Management/	Marketing/Branding	DX/IT/Security	Finance and Accounting	Risk Management/Crisis Response/Legal	Sustainability
Ryuichi Isaka	Representative Director and President	●	●	●		●	●				●
Katsuhiro Goto	Representative Director and Vice President		●		●	●	●	●			
Junro Ito	Representative Director		●			●				●	●
Fumihiko Nagamatsu	Director	●	●			●	●				
Joseph Michael DePinto	Director	●	●	●		●	●	●			
Yoshimichi Maruyama	Director				●				●	●	
Toshiro Yonemura	Independent Outside Director					●		●		●	
Yoshiyuki Izawa	Independent Outside Director	●		●	●	●			●		●
Meyumi Yamada	Independent Outside Director	●	●			●	●	●			●
Jenifer Simms Rogers	Independent Outside Director			●	●				●	●	●
Paul Yonamine	Independent Outside Director	●		●	●	●		●	●		
Stephen Hayes Dacus	Independent Outside Director	●	●	●		●	●		●		
Elizabeth Miin Meyerdirk	Independent Outside Director	●	●	●			●	●	●		
Shinji Wada	Independent Outside Director	●	●			●		●			●
Fuminao Hachiuma	Independent Outside Director	●		●		●	●				●
Noriyuki Habano	Standing Audit & Supervisory Board Member		●				●			●	
Nobutomo Teshima	Standing Audit & Supervisory Board Member		●					●	●	●	
Kazuhiro Hara	Independent Outside Audit &								●	●	

	Supervisory Board Member										
Mitsuko Inamasu	Independent Outside Audit & Supervisory Board Member							●		●	
Kaori Matsuhashi (Real name: Kaori Hosoya)	Independent Outside Audit & Supervisory Board Member					●			●	●	

* The above table is not an exhaustive list of the knowledge and experience each person can offer.

* The ratio of foreign national Directors will be 33.3% (5/15) and the ratio of female Directors will be 20.0% (3/15). (Rounded to one decimal place)