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Securities code: 8892

## ES-CON JAPAN Ltd.

### Extraordinary General Meeting of Shareholders

## Announcement

#### Date and time

10:00 a.m. November 29 (Wed.), 2023

#### Location

Free Space, Tokyo Head Office,  
ES-CON JAPAN Ltd.

20th Floor, The Okura Prestige Tower,  
2-10-4 Toranomom, Minato-ku, Tokyo,  
105-0001, Japan

(Differs from the location for the Regular General Meeting of Shareholders. Please refer to the "Map for Extraordinary General Meeting of Shareholders" at the end of this Announcement.)

#### Items for voting

- Agenda Item 1 Partial amendment of the Articles of Association
- Agenda Item 2 Election of six directors (excluding directors who are auditor directors)
- Agenda Item 3 Election of three directors who are auditor directors
- Agenda Item 4 Appointment of account auditor
- Agenda Item 5 Revised remuneration for directors who are auditor directors
- Agenda Item 6 Continuation and partial revision of performance-linked share-based remuneration system for directors (excluding directors who are auditor directors, external directors, and non-managing directors) and for executive directors (delegated)



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announcement

The important information in this Announcement may be viewed on personal computers and smartphones as well.  
<https://p.sokai.jp/8892/>



Securities code: 8892  
November 13, 2023

To all shareholders:

2-10-4 Toranomom, Minato-ku, Tokyo  
ES-CON JAPAN Ltd.  
Takatoshi Ito, President and Representative Director

## Announcement of Extraordinary General Meeting of Shareholders

Thank you for your ongoing support.

We ask for your attendance at the Extraordinary General Meeting of Shareholders. Information on the Meeting is provided below.

Information for this Extraordinary General Meeting of Shareholders, including reference documents for the General Meeting of Shareholders (items provided digitally), is posted to the following websites. Please go to any of these websites to review this information.

[Company website (Japanese)]

<https://www.es-conjapan.co.jp/investor/library.php>



(Go to the website above to review the Announcement of 2023 Extraordinary General Meeting of Shareholders.)

[General Meeting of Shareholders reference documents site]

<https://d.sokai.jp/8892/23057115/>



[Tokyo Stock Exchange website (TSE listed firms information service)]

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



(Visit the Tokyo Stock Exchange website above and search by entering “Es-Con Japan” under “Issue name (company name)” or the Company’s securities code “8892” under “Code”; first choose “Basic information,” then “Documents for public inspection/PR information,” then check “Notice of General Shareholders Meeting/Informational Materials for General Shareholders Meeting” under “Filed information available for public inspection.”)

If you cannot attend, you are entitled to exercise your voting rights via the Internet or in writing (by post) by either of the two methods given below. Refer to the “Reference Documents for the General Meeting of Shareholders.” Note that you must exercise your voting rights no later than the end of business hours (6:00 p.m.) on Tuesday, November 28, 2023.

[Exercising Voting Rights by Post Mail]

Give either your approval or disapproval of each agenda item in the enclosed Voting Right Execution Form, and then return so that it will be received by the above deadline.

[Exercising Voting Rights via the Internet, etc.]

Indicate either your approval or disapproval of each agenda item on the Voting Right Execution Form sent with this Announcement, then return the form so that it is received by the above deadline.

1. Date and time 10:00 a.m. (reception opens at 9:00 a.m.) November 29 (Wed.), 2023
2. Location Free Space, Tokyo Head Office, ES-CON JAPAN Ltd.  
20th Floor, The Okura Prestige Tower, 2-10-4 Toranomon, Minato-ku, Tokyo,  
105-0001, Japan

\* Differs from the location for the Regular General Meeting of Shareholders. Please refer to the "Map for Extraordinary General Meeting of Shareholders" at the end of this Announcement.)

3. Objectives

Items for voting

- Agenda Item 1 Partial amendment of the Articles of Association
- Agenda Item 2 Election of six directors (excluding directors who are auditor directors)
- Agenda Item 3 Election of three directors who are auditor directors
- Agenda Item 4 Appointment of account auditor
- Agenda Item 5 Revised remuneration for directors who are auditor directors
- Agenda Item 6 Continuation and partial revision of performance-linked share-based remuneration system for directors (excluding directors who are auditor directors, external directors, and non-managing directors) and for executive directors (delegated)

4. Decisions related to this Announcement (exercise of voting rights)

1. When exercising voting rights in writing (by post), a Voting Right Execution Form on which neither approval nor disapproval is indicated for an agenda item shall be treated as indicating approval of the agenda item.
2. If voting rights have been exercised multiple times, the exercise received by ES-CON JAPAN last shall be treated as the valid exercise of voting rights. If exercise of voting rights via the Internet or other means and exercise of voting rights in writing are received on the same date, the exercise of voting rights via the Internet shall be treated as the valid exercise of voting rights.

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- Please submit the Form for Exercise of Voting Right to the reception desk at the venue when you arrive.
  - Any revisions of items or information provided digitally will be announced on the above websites, together with the relevant items before and after their revision.
  - Exercise of a voting right by proxy shall be possible only if the person commissioned as a proxy is a shareholder with voting rights. Furthermore, only one proxy can be used.
  - No souvenirs will be provided to shareholders attending the Regular General Meeting of Shareholders.

# Reference Documents for the General Meeting of Shareholders

## Agenda Items and References

### Agenda Item 1 Partial amendment of the Articles of Association

#### 1. Reason for this proposal

This proposal calls for changing the Company's accounts settlement date (the end of the fiscal year) from December 31 to March 31, to match the fiscal year of its parent company Chubu Electric Power Co., Inc. and to facilitate efficient business operations in areas such as management and administration as a member of the Chubu Electric Power Group. Accordingly, Articles 12 Basis Date for General Meeting of Shareholders, 34 Fiscal Year, 35 Basis Date for Dividends of Surplus, and 36 Interim Dividends of the Articles of Association would be amended as necessary.

In addition, in accordance with this change in the ending date of the fiscal year, an additional provision will provisionally be added to specify the 29th fiscal year as the 15-month period from January 1, 2023 through March 31, 2024.

#### 2. Details of amendments

The details of the proposed amendments to the Articles of Association are as follows:

(Underlined passages indicate amendments.)

Current Articles of Association	Amended Articles of Association
Articles 1-11 (text omitted)	Articles 1-11 (Unchanged)
<p>Article 12. Basis Date for General Meeting of Shareholders</p> <p>The basis date for voting rights in the Company's Regular General Meeting of Shareholders shall be <u>December 31</u>.</p> <p>2. In addition to the date set forth in the preceding paragraph, an extraordinary basis date may be specified and declared in advance by the Board of Directors.</p>	<p>Article 12. Basis Date for General Meeting of Shareholders</p> <p>The basis date for voting rights in the Company's Regular General Meeting of Shareholders shall be <u>March 31</u>.</p> <p>2. In addition to the date set forth in the preceding paragraph, an extraordinary basis date may be specified and declared in advance by the Board of Directors.</p>
Articles 13-33 (text omitted)	Articles 13-33 (Unchanged)

Current Articles of Association	Amended Articles of Association
<p>Article 34. Fiscal Year</p> <p>The Company's fiscal year shall be the period of one year from <u>January 1</u> through <u>December 31</u> of each year.</p>	<p>Article 34. Fiscal Year</p> <p>The Company's fiscal year shall be the period of one year from <u>April 1</u> through <u>March 31</u> of each year.</p>
<p>Article 35. Basis Date for Dividends of Surplus</p> <p>The basis date for the payment of year-end dividends by the Company shall be <u>December 31</u> of each year.</p>	<p>Article 35. Basis Date for Dividends of Surplus</p> <p>The basis date for the payment of year-end dividends by the Company shall be <u>March 31</u> of each year.</p>
<p>Article 36. Interim Dividends</p> <p>The Company may, by resolution of the Board of Directors, pay interim dividends based on the basis date of <u>June 30</u> of each year.</p>	<p>Article 36. Interim Dividends</p> <p>The Company may, by resolution of the Board of Directors, pay interim dividends based on the basis date of <u>September 30</u> of each year.</p>
<p>Article 37. (text omitted)</p> <p>(New)</p> <p>(New)</p>	<p>Article 37. (Unchanged)</p> <p><u>(Additional provision)</u>  <u>(Provisional measures related to changes affecting the fiscal year)</u></p> <p><u>Article 1</u>  <u>Notwithstanding the provisions of Article 34 Fiscal Year, the 29th fiscal year shall be the 15-month period from January 1, 2023 through March 31, 2024. Article 35 Basis Date for Dividends of Surplus of the amended Articles of Association shall apply to the 29th fiscal year.</u>  <u>This Article shall be deleted after the end of the 29th fiscal year.</u></p>

**Election of six directors (excluding directors who are auditor directors)**

Following the approval of Agenda Item 1, "Partial Amendment of the Articles of Association," the 29th fiscal year shall be the 15-month period from January 1, 2023 through March 31, 2024. Once the partial amendment of the Articles of Association takes effect, the terms of office of all six directors (hereinafter in this Agenda Item, this does not include directors who are auditor directors) will expire. Thus, we propose the election of six directors. Should this proposal be approved, the term of office of each director will extend until the end of the Regular General Meeting of Shareholders scheduled to be held in June 2024.

To ensure fairness and transparency, the selection of each candidate involved consultations with the Nomination and Remuneration Advisory Committee, key members of which consist of external directors.

Moreover, regarding this agenda item, the Auditor Committee has examined each candidate and stated that there are no issues needing to be pointed out.

Candidates are as follows:

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
Reappointment 1	<b>Takatoshi Ito</b> (September 1, 1971)	September 2001 - Joined ES-CON JAPAN Ltd. February 2006 - Operating Officer, ES-CON JAPAN Ltd. March 2007 - Managing Director, ES-CON JAPAN Ltd. November 2010 - Head of Business Division, ES-CON JAPAN Ltd. March 2011 - President and Representative Director, ES-CON JAPAN Ltd. (present post) January 2012 - Head of Tokyo Office, ES-CON JAPAN Ltd. May 2013 - President and Representative Director, ES-CON PROPERTY Ltd. August 2013 - Head of Development Division, ES-CON JAPAN Ltd. July 2014 - Director, ES-CON ASSET MANAGEMENT Ltd. November 2014 - President and Corporate Officer, ES-CON JAPAN Ltd. (present post) September 2016 - Director, ES-CON LIVING SERVICE Ltd. July 2018 - Director, ES-CON PROPERTY Ltd. July 2019 - Director, One's Own House Co., Ltd. (currently ES-CON HOME Ltd.) July 2019 - Director, Rise Home Co., Ltd. (currently ES-CON CRAFT Ltd.) December 2019 - Director, ES-CON GLOBAL WORKS Ltd. January 2020 - Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post) October 2020 - Director, Ryomon Co., Ltd. (present post) October 2021 - Director, Picasso Co., Ltd. (present post) Director, Yuki Sangyo Co., Ltd. (present post) January 2022 - Director, FUEL Inc. July 2023 - Director, Shijo Omiya Building Co., Ltd. (present post)	<b>1,285,400</b>
		<p><b>Reason for Candidacy as Director</b>            Mr. Ito has handled the management of our group as the company's President and Director, has led the group through his strong leadership, and has contributed to development and expansion into multiple businesses. We propose that he be reappointed as a director to allow him to continue contributing to the functional enhancements of the Board of Directors, leveraging his track record in establishing firm management foundations and his abundant knowledge of and experience with overall business management.</p>	

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
2  Reappointment	<b>Minoru Nakanishi</b> (September 14, 1952)	<p>April 1975 - Joined Yasuda Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>April 2005 - Executive Officer (Head of Osaka Branch Office)</p> <p>April 2008 - Joined SOKEN Co., Ltd. Inaugurated as Senior Managing Director</p> <p>August 2011 - Joined ES-CON JAPAN Ltd.</p> <p>June 2012 - Executive Officer (Head of Finance and Accounting Dept.), ES-CON JAPAN Ltd.</p> <p>March 2013 - Director, ES-CON JAPAN Co., Ltd.</p> <p>May 2013 - Director, ES-CON PROPERTY, Ltd.</p> <p>August 2013 - Head of Management Division, ES-CON JAPAN Ltd.</p> <p>July 2014 - Director, ES-CON ASSET MANAGEMENT, Ltd.</p> <p>November 2014 - Operating Officer, ES-CON JAPAN Ltd.</p> <p>March 2015 - Executive Director, ES-CON JAPAN Ltd. Managing Executive Officer, ES-CON JAPAN Ltd.</p> <p>September 2016 - Director, ES-CON LIVING SERVICE Ltd.</p> <p>March 2017 - Senior Managing Director, ES-CON JAPAN Ltd. (present post)</p> <p>Senior Executive Officer, ES-CON JAPAN Ltd. (present post)</p> <p>December 2019 - Director, ES-CON GLOBAL WORKS Ltd.</p> <p>October 2020 - Director, Ryomon Co., Ltd. (present post)</p> <p>October 2021 - Director, Picasso Co., Ltd. (present post) Director, Yuki Sangyo Co., Ltd. (present post)</p> <p>January 2023 – Head of Management Planning Division, ES-CON JAPAN Ltd. (present post)</p> <p>July 2023 - Director, Shijo Omiya Building Co., Ltd. (present post)</p>	<b>211,700</b>
	<p><b>Reason for Candidacy as Director</b></p> <p>As an administrator of our company, he has been supervising administrative divisions including Finance/Accounting, Personnel, General Affairs, and Legal Affairs, and took the initiative to establish a firm management foundation as a defensive keystone. He also currently serves as Head of the Management Planning Division, a post in which he drafts and steadily executes growth strategies for the long-term progress of the Company. It has been determined that he is an essential human resource who contributes to the group's corporate value and will continue to contribute to sustainable improvement of corporate value in the future. Therefore, we propose that he be reappointed as a director.</p>		



Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
Reappointment 3	<b>Kenji Fujita</b> (April 14, 1963)	<p>April 1986 - Joined Chubu Electric Power Co., Inc.</p> <p>July 2011 - General Manager, HR/Labor and Operations Group, Chubu Electric Power Co., Inc.</p> <p>July 2013 - General Manager, HR Division, and General Manager, Labor and Operations Division, Chubu Electric Power Co., Inc.</p> <p>July 2014 - General Manager, Locations Division, Okazaki Branch, Chubu Electric Power Co., Inc.</p> <p>April 2016 - General Manager, Locations Division, Power Networks Company, Chubu Electric Power Co., Inc.</p> <p>March 2019 - Director, ES-CON JAPAN Ltd. (present post)</p> <p>Operating Officer, ES-CON JAPAN Ltd. (present post)</p> <p>Head of General Affairs Department, ES-CON JAPAN Ltd.</p> <p>January 2020 - Head of President's Office, ES-CON JAPAN Ltd.</p> <p>October 2022 – Head of Compliance Office, ES-CON JAPAN Ltd. (present post)</p> <p>January 2023 – Head of Management Division, ES-CON JAPAN Ltd. (present post)</p> <p>March 2023 – Director, ES-CON GLOBAL WORKS Ltd.</p> <p>July 2023 – Head of President's Office, ES-CON JAPAN Ltd. (present post)</p>	<b>4,900</b>
	<p><b>Reason for Candidacy as Director</b></p> <p>Mr. Fujita offers a wealth of experience and a strong track record of achievement acquired as HR Division General Manager and Locations Division General Manager with Chubu Electric Power Co., Inc. He plays a key role not just in the administration of our company as Head of General Affairs Department, Head of President's Office, and Head of the Compliance Office, but in ESG management. He is currently promoting comprehensive compliance management within the company. He also currently serves as Head of the Management Division, a post in which he is responsible for overall management, including personnel, general affairs, and legal affairs, and plays an important role in building strong management foundations to ensure the Company's continuing existence. We propose that he be reappointed as director in light of the remarkable insights he offers based on his experience and track record.</p>		

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
4  Reappointment	<b>Atsushi Kawashima</b> (January 4, 1959)	<p>             April 1982 - Joined Mitsubishi Corporation              April 1990 - Joined Yasuda Trust &amp; Banking Co., Ltd.              (currently Mizuho Trust &amp; Banking Co., Ltd.)              June 1998 - Joined Kennedy-Wilson Japan Co., Ltd.              (currently Kenedix, Inc.)              March 2001 - Director, Kenedix, Inc.              March 2003 - Managing Director/COO, Kenedix, Inc.              October 2004 - Director, KW REIT Management, Inc.              (currently Kenedix Realty Investment Corporation)              January 2007 - Representative Director and President,              Kenedix, Inc.              Representative Director and President, Kenedix              Development Corporation              Representative Director and President, Kenedix              Advisors Corporation (currently Kenedix Realty              Investment Corporation)              December 2009 - Representative Director and President,              Kenedix Property Corporation              Representative Director and President, Kenedix Asset              Management, Inc.              May 2010 - Director, MAX-REALTY INC.              July 2010 - Director, Touchstone Holdings Co., Ltd.              March 2013 - Representative Director and President,              Kenedix, Inc.              October 2013 - Representative Director, Space Design,              Inc.              August 2014 - Director, Touchstone Capital Management              Co., Ltd.              October 2014 - Director, Nippon Parking Development              Co., Ltd.              March 2016 - Director and Chairperson, Kenedix, Inc.              May 2018 - Director, SQUEEZE Co., Ltd.              March 2019 - Advisor, Kenedix, Inc. (present post)              March 2021 – External Director, ES-CON JAPAN Ltd.              (present post)              July 2021 - Advisor, SMBC Trust Bank Ltd. (present post)              March 2023 - Member, Nomination and Remuneration              Advisory Committee, ES-CON JAPAN Ltd. (present              post)           </p> <p>             (Main concurrent posts)              Advisor, Kenedix, Inc.              Advisor, SMBC Trust Bank Ltd.           </p>	<b>3,000</b>
	<p> <b>Reason for Candidacy as External Director and Overview of Expected Roles</b>              Mr. Kawashima offers a wealth of experience and a strong track record of achievements over many years leading the management of Kenedix, Inc. We have determined that the capacity to apply the strong insights he offers makes him an essential external director. Thus, we propose that he be appointed as an external director. He is expected to exercise highly effective management and oversight from a perspective independent of the management team, thereby strengthening the transparency and soundness of ES-CON JAPAN's management; he is also expected to contribute to decisions from an objective and neutral standpoint, as a member of the Nomination and Remuneration Advisory Committee, on matters such as executive compensation and the selection of candidates for company directors. His tenure as External Director of ES-CON JAPAN Ltd. will be two years and eight months at the end of this Extraordinary General Meeting.           </p>		

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
5 Reappointment	<b>Keiko Otsuki</b> (August 10, 1955)	<p>April 1979 - Joined Mitsubishi Electric Corporation  February 1985 - Joined Credit Lyonnaise Bank (currently Credit Agricole Bank)  January 1991 - Joined Morgan Stanley Dean Witter (currently Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)  January 1996 - Joined UBS Securities Japan (currently UBS Securities Co., Ltd.)  January 1998 - Joined Morgan Stanley Dean Witter (currently Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)  Vice President/Senior Analyst, Equities Research Division  April 2003 - Joined Morgan Stanley Japan Global Properties (currently Morgan Stanley Capital Co., Ltd.)  Executive Director  January 2008 - Joined Morgan Stanley Japan (currently Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)  Managing Director  June 2018 - Director, MRD (present post)  February 2020 - External Director, KRS Corporation (present post)  March 2021 - Director, ES-CON JAPAN Ltd. (present post)  March 2023 - Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)  Director, MRD  External Director, K.R.S. Corporation</p>	0
<p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b>  Ms. Otsuki offers a wealth of experience and a strong track record of achievements, including work as a securities analyst overseas. In light of the remarkable insights she can provide, we have determined that she is an essential external director. We propose that she be appointed as an external director. For the reasons stated above, although the candidate has no previous involvement in the company's management other than as external director, she is deemed capable of performing the duties of an external director. She is expected to exercise highly effective management and oversight from a perspective independent of the management team, thereby strengthening the transparency and soundness of ES-CON JAPAN's management; she is also expected to contribute to decisions from an objective and neutral standpoint, as a member of the Nomination and Remuneration Advisory Committee, on matters such as executive compensation and the selection of candidates for company directors. Her tenure as External Director of ES-CON JAPAN Ltd. will be two years and eight months at the end of this Extraordinary General Meeting.</p>			

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
Reappointment 6	<b>Hiroaki Hattori</b> (December 4, 1956)	<p>April 1980 – Joined Taiyo-Kobe Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2010 – Executive Officer/General Manager, Kobe Corporate Sales Division, Sumitomo Mitsui Banking Corporation</p> <p>April 2012 – Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>June 2015 – Representative Director/Vice-President, Executive Officer/Vice-President, Minato Bank, Ltd.</p> <p>April 2016 – Representative Director/President and CEO, Minato Bank, Ltd.</p> <p>April 2018 – Representative Director, Kansai Mirai Financial Group, Inc.</p> <p>April 2021 – Representative Director/Chairperson, Minato Bank, Ltd.</p> <p>May 2021 – Chairperson, Kobe Association of Corporate Executives</p> <p>June 2021 – External Auditor, Osaka Small and Medium Business Investment &amp; Consultation Co., Ltd. (present post)</p> <p>April 2022 – Director/Chairperson, Minato Bank, Ltd. (present post)</p> <p>March 2023 – External Director, ES-CON JAPAN Ltd. (present post)</p> <p>Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)</p> <p>Director/Chairperson, Minato Bank, Ltd.</p> <p>External Auditor, Osaka Small and Medium Business Investment &amp; Consultation Co., Ltd.</p>	<b>0</b>
		<p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Mr. Hattori offers a wealth of experience and an extensive track record with financial institutions. He has played a leadership role in management as Representative Director/President and CEO and Representative Director/Chairperson of Minato Bank, Ltd. In light of the remarkable insights he offers based on his years of experience and track record in corporate management, we propose that he be reappointed as an external director. If appointed, he is expected to exercise highly effective management and oversight from a perspective independent of the management team, thereby strengthening the transparency and soundness of ES-CON JAPAN's management, and to contribute to decisions from an objective and neutral standpoint, as a member of the Nomination and Remuneration Advisory Committee, on matters such as executive compensation and the selection of candidates for company directors. His tenure as External Director of ES-CON JAPAN Ltd. will be eight months at the end of this Extraordinary General Meeting.</p>	

- (Note)
1. No special interests exist between the candidates and our company.
  2. Kenji Fujita has been an executive of ES-CON JAPAN's parent company, Chubu Electric Power Co., Inc., for the past 10 years. His positions and responsibilities with Chubu Electric Power over the past 10 years are indicated under "History and Position/Area of Responsibility in Our Company (Main Concurrent Posts)" above.
  3. Atsushi Kawashima, Keiko Otsuki and Hiroaki Hattori are candidates for external director.
  4. ES-CON JAPAN Ltd. has concluded limited liability agreements with Atsushi Kawashima, Keiko Otsuki, and Hiroaki Hattori in accordance with Article 427, Paragraph 1 of the Companies Act of Japan. If their reappointments are approved, we plan to conclude renewed limited liability agreements with them containing terms and conditions similar to those of the existing agreements.

The following is an overview of these agreements:

- In the event that a director (excluding personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages attributable to his/her own negligence in the performance of his/her duties, that director shall bear the legally established minimum liability.
5. The Company has notified the Tokyo Stock Exchange of Atsushi Kawashima's, Keiko Otsuki's, and Hiroaki Hattori's status as independent officers. If their reappointments are approved, we plan to notify the Tokyo Stock Exchange that they will continue to serve as independent officers.
  6. ES-CON JAPAN Ltd. has concluded an executive liability insurance policy with an insurer as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan, naming its directors as the insured. We plan to continue to renew this policy. If each of the candidates is reappointed or newly appointed, he or she will continue to be the named insured under this policy.  
This policy covers damages related to compensation for damages and litigation costs borne by the insured for matters within the liability of directors to third parties and to ES-CON JAPAN. It does not cover matters due to deliberate action or gross negligence.

### Agenda Item 3 Election of three directors who are auditor directors

Following the approval of Agenda Item 1, “Partial Amendment of the Articles of Association,” the 29th fiscal year will be a 15-month period. Once the partial amendment of the Articles of Association takes effect, the terms of office of three directors who are auditor directors will expire. Thus, we propose the election of three directors who are auditor directors. Should this proposal be approved, the term of office of each director who is an auditor director will extend until the end of the Regular General Meeting of Shareholders scheduled to be held in June 2025.

This agenda item has been approved by the Auditors Committee.

Candidates are as follows:

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
1 Reappointment	<b>Masayoshi Nishitake</b> (September 9, 1962)	<p>April 1986 - Joined Daiwa Bank, Ltd. (now Resona Bank Co., Ltd.)</p> <p>November 2005 – General Manager of Sales Dept. I, Kameido Branch/Kinshicho Branch, Resona Bank Co., Ltd.</p> <p>June 2007 – General Manager of Kitakyushu Branch, Resona Bank Co., Ltd.</p> <p>July 2010 – General Manager of Sales Dept. III, Ueno/Nippori Area, Resona Bank Co., Ltd.</p> <p>October 2012 – General Manager of Settlement Solutions Office, Corporate Solutions Sales Division, Resona Bank Co., Ltd.</p> <p>April 2018 – Operating Officer/General Manager of Product Development Sales Division, Resona Kessai Service Co., Ltd.</p> <p>March 2020 – External Director (Full-time Auditor Director), ES-CON JAPAN Ltd. (present post) Member, Nomination and Remuneration Advisory Committee</p>	<b>5,000</b>
	<p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Mr. Nishitake offers a wealth of experience and an extensive track record with financial institutions. In light of his remarkable insights based on his experience and track record, the Company deems him to be an essential external director. We propose that he be reappointed as external director. While he lacks previous experience in contributing to the management of ES-CON JAPAN other than as an external director, the Company has decided that he is capable of performing the duties of an external director as described above. His tenure as External Director (Auditor Director) of ES-CON JAPAN Ltd. will have been three years and eight months at the end of this Extraordinary General Meeting.</p>		

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
Reappointment 2	<b>Hiroto Mizobata</b> (July 31, 1963)	<p>April 1986 – Joined KPMG Asahi Shinwa Accounting, Inc. (now KPMG AZSA LLC)</p> <p>March 1988 – Registered as Certified Public Accountant</p> <p>December 1991 – Registered as Licensed Tax Accountant</p> <p>March 1992 – Representative, Mizobata Certified Public Accountant Office (present post)</p> <p>March 2015 – External Auditor, ES-CON JAPAN Ltd.</p> <p>June 2015 – External Director (Auditor Director), Yamaki Co., Ltd. (present post)</p> <p>External Director, Kyocera Corporation</p> <p>March 2016 – External Director (Auditor Director), ES-CON JAPAN Ltd. (present post)</p> <p>January 2020 – Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd.</p> <p>(Main concurrent posts)</p> <p>Representative, Mizobata Certified Public Accountant Office</p> <p>External Director (Auditor Director), Yamaki Co., Ltd.</p>	<b>10,400</b>
		<p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>As a Certified Public Accountant, Certified Tax Accountant, and manager with experience as representative director of a company not listed in the career history above, Mr. Mizobata brings to bear wide-ranging experience and keen judgment across a wide range of issues. He has provided apt counsel to further ES-CON JAPAN's business activities and overall management. We propose that he be reappointed as external director based on our conviction that Mr. Mizobata will effectively fulfill the above duties of External Director. His tenure as External Director (Auditor Director) of ES-CON JAPAN will have been seven years and eight months at the end of this Extraordinary General Meeting.</p>	

Candidate No.	Name (Date of Birth)	History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)	Number of Company Shares Owned
Reappointment 3	<b>Tadashi Fukuda</b> (March 4, 1953)	<p>April 1986 – Registered as an attorney at law  Joined Daiichi Law Office (now Daiichi Law Office, P.C.)  June 2000 – External Auditor, Shinyei Kaisha  December 2012 – External Auditor, ES-CON JAPAN Ltd.  June 2015 – External Director, Shinyei Kaisha  External Auditor, EXEDY Corporation (present post)  March 2016 – External Auditor, ES-CON JAPAN Ltd.  Executive Partner, Daiichi Law Office, P.C. (present post)  June 2016 – External auditor, Mitsubishi Tanabe Pharma Corporation (present post)  March 2020 – External Director (Auditor Director), ES-CON JAPAN Ltd. (present post)  Member, Nomination and Remuneration Advisory Committee</p> <p>(Main concurrent posts)  Executive Partner, Daiichi Law Office, P.C.  External auditor, EXEDY Corporation</p>	<b>2,300</b>
	<p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b>  Mr. Fukuda offers a wealth of experience in corporate law as a lawyer and broad-based expertise, both of which contribute to the management of ES-CON JAPAN Ltd. While he lacks previous experience in involvement in the management of ES-CON JAPAN other than as an external director, we propose that he be reappointed as he is capable of performing the duties of an external director, as described above. His tenure as External Director (Auditor Director) of ES-CON JAPAN Ltd. will have been three years and eight months at the end of this Extraordinary General Meeting.</p>		

- (Notes)
- No conflicts of interest exist between any of the above candidates and our company.
  - Masayoshi Nishitake, Hiroto Mizobata, and Tadashi Fukuda are candidates for External Director.
  - Hiroto Mizobata and Tadashi Fukuda have served in the past as non-managing Directors (External Auditors) of ES-CON JAPAN.
  - ES-CON JAPAN Ltd. has concluded limited liability agreements with Masayoshi Nishitake, Hiroto Mizobata, and Tadashi Fukuda in accordance with Article 427, Paragraph 1 of the Companies Act of Japan. If the reappointments of Masayoshi Nishitake, Hiroto Mizobata, and Tadashi Fukuda are approved, we plan to conclude renewed agreements with them containing terms and conditions similar to those of the existing agreements.  
The following is an overview of these agreements:  
In the event that a director (excluding personnel who are managing directors) is responsible for circumstances generating liabilities for ES-CON JAPAN Ltd. with respect to compensation for damages attributable to his/her own negligence in the performance of his/her duties, that director shall bear no more than the legally established minimum liability.
  - The Company has notified the Tokyo Stock Exchange of Hiroto Mizobata's and Tadashi Fukuda's status as independent officers. If their reappointments are approved, we plan to notify the Tokyo Stock Exchange that they will continue to serve as independent officers.
  - ES-CON JAPAN Ltd. has concluded an executive liability insurance policy with an insurer as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan. This policy names Company directors and executive officers as the insured. We plan to continue renewing this policy. If the appointment of the above candidates is approved, they will be the named insured under this policy.  
This policy covers damages related to compensation for damages and litigation costs borne by the insured for matters within the liability of directors to third parties and to ES-CON JAPAN. It does not cover matters due to deliberate action or gross negligence.



## Agenda Item 4 Appointment of account auditor

Following the approval of Agenda Item 1, “Partial Amendment of the Articles of Association,” the 29th fiscal year will be a 15-month period. Once the partial amendment of the Articles of Association takes effect, the term of office of the account auditor will expire. Thus, we propose the reappointment of the account auditor BDO Sanyu & Co. Should this proposal be approved, the term of office of each the account auditor will extend until the end of the Regular General Meeting of Shareholders scheduled to be held in June 2024.

The content of this Agenda Item was determined by the Auditors Committee.

The Auditors Committee has chosen BDO Sanyu & Co. as a candidate account auditor based on comprehensive consideration of matters such as the reliability of its organization and governance systems as an account auditor, its systems in place to ensure audit quality, including those related to its independence, its specialized business expertise, the reasonability and validity of its practical audit plans and audit costs, and its audit track record.

The candidate account auditor is outlined below.

(As of September 30, 2023)

Name	BDO Sanyu & Co.
Main office	15 Floor, STEC Bldg., 24-1 Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo
Representative	Tomohiro Koto, Managing Partner
Capital (investment)	JPY93 million
Clients	214 firms
Staff	46 partners, 123 CPAs, 116 other specialists, 37 other administrative personnel
History	October 1986 Sanyu & Co. established
	January 1996 Business alliance formed with BDO Binder BV (now BDO International Limited)
	April 1996 Renamed BDO Sanyu & Co.

Note: BDO Sanyu & Co. has served as the Company's account auditor continuously since its appointment in the fiscal year ended January 2000 (fifth fiscal year).

## **Revised remuneration for directors who are auditor directors**

Following the approval of Agenda Item 1, "Partial Amendment of the Articles of Association," the 29th fiscal year will be a 15-month period. Since the amounts of remuneration of directors who are auditor directors are projected to exceed the maximum of 50 million yen per year (single fiscal year) as determined in the 21st Regular General Meeting of Shareholders held March 25, 2016, and in light of recent economic and other conditions, we propose revising the remuneration amounts of directors who are auditor directors to no more than 100 million yen per year.

This Agenda Item was finalized by the Board of Directors following deliberation by the Nomination and Remuneration Advisory Committee and is considered appropriate in light of matters such as the scale of the Company's businesses, its executive remuneration system and payment levels, the current number of executives, and the future outlook.

If Agenda Items 1 and 3 are approved as proposed, the number of directors who are auditor directors subject to this Agenda Item will be four directors.

This Agenda Item is conditional on the enactment of the revisions to the Articles of Association proposed in Agenda Item 1, "Partial Amendment of the Articles of Association."

**Continuation and partial revision of performance-linked share-based remuneration system for directors (excluding directors who are auditor directors, external directors, and non-managing directors) and for executive directors (delegated)**

1. Reasons for the proposal, and background and objectives of revisions

This proposal calls for the continuation and partial revision of the performance-linked share-based remuneration system ("System" hereinafter) for Company directors (excluding directors who are auditor directors, external directors, or non-managing directors) and for executive directors (delegated) ("Directors" hereinafter refers to all such directors, except as noted otherwise), adopted in FY2015.

The System was introduced to further clarify remuneration for Directors and the relationship between ES-CON JAPAN's performance and stock price, with Directors not only benefiting from a rise in stock price but also sharing in the same risks as shareholders in relation to drops in stock price, thereby heightening awareness of the importance of contributing to performance and corporate value over the medium and long term. We consider this System to be appropriate for these purposes.

The System was revised in part in the 26th Regular General Meeting of Shareholders held March 26, 2021. We ask for your approval for reviewing and partially amending the details of the System in accordance with the change in the Company's accounts settlement date from December to March upon approval of Agenda Item 1, "Partial Amendment of the Articles of Association." This will involve no change in the maximum number of shares of Company stock to be awarded to Directors, which is 110,000 shares.

Refer to the following news releases for information concerning the previous details of this System: "Notice on Introduction of Performance-Based Stock Reward System," released February 13, 2015, "Notice on Continuation and Partial Revision of Performance-Based Stock Reward System," released January 30, 2020," (Revised) Partial Amendment to the Notice on Continuation and Partial Revision of Performance-Based Stock Reward System," released March 13, 2020, and "Notice on Continuation and Partial Revision of Performance-Based Stock Reward System," released February 24, 2021.

Plans call for amounts of director remuneration to continue to exclude the employee salary portions paid to directors serving concurrently in employee positions. The number of Directors subject to this proposal will be four Directors upon the approval of Agenda Item 2.

## 2. Details of revisions to the System

The existing System would be revised as follows:

Item	Before revision	After revision
Period subject to System	Three fiscal years from the fiscal year ending December 31, 2021 through the fiscal year ending <u>December 31, 2023</u> and each subsequent period of three fiscal years	Three fiscal years from the fiscal year ending December 31, 2021 through the fiscal year ending <u>March 31, 2024</u> and each subsequent period of three fiscal years
Method for calculating number of shares of ES-CON JAPAN stock to be granted to eligible persons	Consolidated operating income and total shareholder return (TSR) shall be used as indicators in calculations. ES-CON JAPAN will assign points in accordance with the status of achieving the target annual consolidated operating income based on the number of standard shares for each position stipulated at the beginning of the fiscal year ending December 31, 2021. Annual points assigned annually to the parties in question will accrue during the <u>fiscal year ending December 31, 2023</u> . Points will be calculated by multiplying the cumulative annual assigned points by the rate of deviation between ES-CON JAPAN's TSR and the growth rate of the TSE <u>First Section</u> Real Estate TOPIX.	Consolidated operating income and total shareholder return (TSR) shall be used as indicators in calculations. ES-CON JAPAN will assign points in accordance with the status of achieving the target annual consolidated operating income based on the number of standard shares for each position stipulated at the beginning of the fiscal year ending December 31, 2021. Annual points assigned annually to the parties in question will accrue during the <u>fiscal year ending March 31, 2024</u> . Points will be calculated by multiplying the cumulative annual assigned points by the rate of deviation between ES-CON JAPAN's TSR and the TSE <u>Prime Market</u> Real Estate TOPIX.

Contribution amounts and limits on points assigned per fiscal year will remain unchanged.