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Notice of Convocation of the 118th Ordinary General Meeting of Shareholders

Securities Code: 1802
May 31, 2022

Dear Shareholders,

You are hereby notified that the 118th Ordinary General Meeting of Shareholders of OBAYASHI CORPORATION (hereinafter referred to as the “Corporation”) will be held as described below.

This General Meeting of Shareholders will be held with special measures in place to prevent the spread of the novel coronavirus disease (COVID-19) as described on page 3. Furthermore, out of consideration for preventing the spread of COVID-19 and the convenience of shareholders, the meeting will be live-streamed over the Internet.

If you are unable to attend the meeting or would prefer to watch the live stream, you may exercise your voting rights in advance in writing (by mail) or via the Internet. In this case, we kindly request that you review the Reference Documents for the General Meeting of Shareholders from page 6 and exercise your voting rights by 5:15 p.m. on Wednesday, June 22, 2022 in Japan Standard Time.

Sincerely yours,

Kenji Hasuwa
President
OBAYASHI CORPORATION
2-15-2, Konan, Minato-ku, Tokyo

Details of the General Meeting of Shareholders

1. Date and Time:

Thursday, June 23, 2022, at 10:00 a.m. (Japan Standard Time)
(Reception starts at 9:00 a.m.)

2. Place:

Head Office of the Corporation (3F Auditorium), Shinagawa Intercity Tower B,
2-15-2, Konan, Minato-ku, Tokyo, Japan

3. Agenda

Matters to be reported:

Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 118th Fiscal Year (from April 1, 2021 to March 31, 2022; hereinafter referred to as the “FY2021”), as well as the audit reports of the Accounting Auditors and the Audit & Supervisory Board for Consolidated Financial Statements

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Partial Amendment to the Articles of Incorporation

Proposal 3: Election of Twelve (12) Directors

Proposal 4: Election of Three (3) Audit & Supervisory Board Members

We would appreciate your understanding that gifts will not be distributed to attending shareholders.

Information Concerning the General Meeting of Shareholders

- You are kindly requested to present the enclosed “Form for Exercising Voting Rights” to the receptionist when you attend the meeting.
- If you intend to exercise your voting rights by proxy, one other shareholder who possesses voting rights may attend the General Meeting of Shareholders as a proxy. If this is the case, please note that such shareholder is requested to submit the letter of proxy.
- If any changes have been made to items in the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements or the Reference Documents for General Meeting of Shareholders, such changes will be posted on our website.
- The voting results on the resolutions of the General Meeting of Shareholders will be posted on our website.
- The General Meeting of Shareholders will be streamed live via the Internet as described on page 5. In addition, selected video footage of the live stream will be made available after the meeting on our website.

Planned video footage release date: Monday, June 27, 2022 10:00 a.m. (The live stream and the video footage will be provided in Japanese only)

Notice Concerning Precautionary Measures Regarding the Novel Coronavirus Disease (COVID-19)

- In order to ensure appropriate distancing between each seat, the number of chairs is limited. If the venue reaches its seating capacity, your attendance may not be guaranteed.
- Since the General Meeting of Shareholders will be streamed live via the Internet, please consider watching the live stream from a convenient location such as your home (however, note that **you cannot exercise voting rights or ask questions via the live stream**).
- If you choose to attend, we ask that you consider the most recent status regarding infections and check your own health condition on the date of the meeting. Please cooperate with precautionary measures to protect yourself from infection, such as wearing face masks and using alcohol disinfectant, etc. Furthermore, we will take your temperature when you arrive. If you have symptoms such as a fever or cough, you may be turned away, or asked to leave your seat.
- The attending executives and staff will be screened to ensure their state of health and will be wearing masks while making announcements and offering guidance. Please note that the report of matters will be shortened into a condensed version to shorten the meeting time.
- In order to prevent the spread of infection, there may be additional precautionary measures in place at the venue of the General Meeting of Shareholders, and your cooperation with such measures is requested.
- In the event of a major change in the administration of the General Meeting of Shareholders due to a change in the status of the spread of infection in the future, such as a drastic decrease in the number of people allowed to enter, we will notify you on the website indicated below.
- We would appreciate your understanding that gifts will not be distributed to attending shareholders.

The Corporation’s Website: <https://www.obayashi.co.jp/>

Guidance for Exercising Voting Rights

You may exercise your voting rights by one of the following three methods.

1. To exercise your voting rights by attending the General Meeting of Shareholders

Please present the enclosed “Form for Exercising Voting Rights” to the receptionist.

Please also bring this notice as a meeting agenda.

Date and time of the meeting: **Thursday, June 23, 2022, at 10:00 a.m. in Japan Standard Time**
(Reception starts at 9:00 a.m.)

2. To exercise your voting rights in writing (by mail)

Please indicate on the enclosed “Form for Exercising Voting Rights” whether you approve or disapprove of each proposal, and return it by the voting deadline below.

Deadline: **to be received by 5:15 p.m., Wednesday, June 22, 2022 in Japan Standard Time.**

How to fill out the “Form for Exercising Voting Rights”

Please indicate whether you approve or disapprove of each proposal.

*When neither “Approve” nor “Disapprove” is circled on a Proposal, that proposal will be deemed to indicate approval.

3. To exercise your voting rights via the Internet

Follow the instructions (available in the Japanese original only) and input your vote for or against each proposal.

Deadline: **to be exercised by 5:15 p.m., Wednesday, June 22, 2022 in Japan Standard Time.**

Please note that your voting via the Internet shall prevail, if you exercise your voting rights both in writing (by mail) and via the Internet. If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.

If you intend to attend the Ordinary General Meeting of Shareholders, neither voting in writing (by mail) nor via the Internet is necessary.

Institutional investors may use the electronic platform to exercise voting rights for institutional investors, operated by ICJ, Inc.

Guidance on Live Streaming of the General Meeting of Shareholders

The General Meeting of Shareholders of the Corporation will be live streamed on the Internet as follows for viewing at home or elsewhere.

1. Date and time of the live streaming

From 10:00 a.m. to the end of the meeting on Thursday, June 23, 2022 (Japan Standard Time)

* There may be circumstances such as natural disasters and the further spread of COVID-19 that make live streaming impossible. Should we be unable to provide a live stream on the day, we will notify you on our website (<https://www.obayashi.co.jp/>).

2. How to view the live stream

URL: <https://engagement-portal.tr.mufg.jp/>



(i) Please access the above URL (hereinafter the “General Meeting of Shareholders online “Engagement Portal”).

(ii) On the shareholder authentication screen (login screen), enter your “Login ID” and “Password,” then after confirming the terms of use, check the “Accept terms of use” box and click the “Login” button. The “Login ID” and “Password” are the same as the “Login ID” and “Temporary password” for the website for exercising voting rights, which is printed on the lower right side of the “Form for Exercising Voting Rights” (duplicate form) enclosed with the notice.

* You will be prompted to change the “Temporary password” for the website for exercising voting rights when you log in for the first time, but the changed password will not be carried over to the General Meeting of Shareholders online “Engagement Portal.” Therefore, since we ask you to continue to use the “Temporary password” on the lower right of the Form for Exercising Voting Rights, please keep the right side of the Form for Exercising Voting Rights (duplicate form) to hand.

(iii) After logging in, click on the “View today’s live stream” button, and after confirming terms of use for viewing the live stream on the day, check the “Accept terms of use” box and click on “View.”

* The view today’s live stream page will be accessible about 30 minutes prior to the start time of the meeting.

Points to note regarding live streaming

- Viewing a live stream is not recognized as attending the General Meeting of Shareholders under the Companies Act. Therefore, **shareholders viewing live stream are not allowed to ask questions, exercise voting rights, nor submit proposals at the General Meeting of Shareholders.**
- **With regard to exercising voting rights, we ask that you exercise your vote beforehand either in writing (by mail) or via the Internet, following the guidance on page 4 of this notice by the deadline.**
- Only the shareholder may view the live stream. We ask that proxies, etc. refrain from viewing it.
- Taking photographs or making video or audio recordings of the live stream, and storing or publishing them on social media and so forth are strictly prohibited.
- Please note that faults in video and audio performance may occur due to your device (model, performance, etc.) and the Internet connection environment (condition of lines, connection speed, etc.).
- The shareholder is responsible for telecommunication fees incurred while watching the live stream.
- If you lose the enclosed Form for Exercising Voting Rights, you can ask for a reissue at the following contact point (available in the Japanese original only). However, please be aware that after about one week prior to the date of the General Meeting of Shareholders, you may be unable to receive a reissue, depending on the timing of your request.
- **Out of consideration for the privacy of shareholders in attendances, video recording of the venue will be restricted to the area near the seating of the chairman and the officers. However, some attending shareholders may be recorded despite our efforts to avoid it.** We thank you for your understanding.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Issues

Proposal 1: Appropriation of Surplus

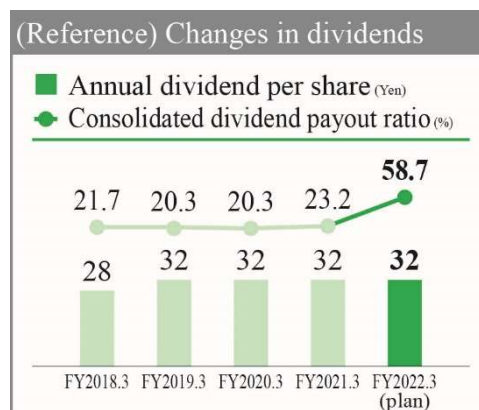
In our Medium-Term Business Plan 2017, which ended at March 31, 2022, the basic policy on shareholder returns is to provide shareholders with returns commensurate with the Corporation's performance, including through share buybacks, with a primary emphasis on sustaining stable dividend payouts to shareholders over the long term, and with a target consolidated dividend payout ratio of 20% to 30%, while taking into account the need to enhance internal reserves so as to further improve its financial base, develop technologies and carry out capital expenditure for the future.

Although the Corporation's performance in FY2021 declined significantly compared to the previous fiscal year, from the perspective of "sustaining stable dividend payouts to shareholders over the long term" in the basic policy indicated above, the Corporation proposes a year-end dividend for the FY2021 of 16 yen per share, which is the same amount as the previous year.

In addition to the interim dividend of 16 yen, the annual dividend would amount to 32 yen per share, corresponding to a dividend payout ratio of 58.7%.

Year-end dividends

1. Type of dividend property: Cash
2. Appropriation of dividends to shareholders and total amount of dividends
Dividend per share: 16 yen
Total amount of dividends: 11,488,711,968 yen
3. Date of effectiveness: June 24, 2022



(Reference: Shareholder return policy in the Obayashi Group Medium-Term Business Plan 2022)

In the Obayashi Group Medium-Term Business Plan 2022, the five-year business plan starting in FY2022 that was announced on March 11, 2022, the Corporation established a new shareholder return policy based on dividend on equity ratio (DOE).

Starting in FY2022, we plan to pay dividends based on the new shareholder return policy. For details, see "1 (4) Issues to be addressed" on page 35 of the Business Report. (available in the Japanese original only)

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for the Amendment

(1) Article 15 (Chairman) of the current Articles of Incorporation stipulates that “a Representative Director of the Corporation determined in advance by the Board of Directors” shall act as the chairman of the general meeting of shareholders, and on this basis, each year the Board of Directors selects the President to serve as the chairman.

For this reason, we seek the shareholders’ judgment as to our proposed change to clarify that the President shall serve as the chairman of the General Meeting of Shareholders.

(2) Since there is no provision regarding the “President” in the current Articles of Incorporation, in accordance with the changes in (1) above, the determination of the “President” shall be newly established in Article 26 (Executive Officers) of the Articles of Incorporation, and the necessary changes shall be made.

(3) Since the revised provisions provided for in the provision to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Corporation proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- A. Article 16, Clause 1 in “Proposed amendment” below will stipulate that the Corporation shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- B. Article 16, Clause 2 in “Proposed amendment” below establishes provisions to make it possible to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents, to the scope stipulated by the Ministry of Justice Ordinance.
- C. With the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format, since Article 16 of the current Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) will no longer be required, it will be deleted.
- D. Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of proposed amendment

Details of the proposed amendment are as follows:

(Underlined portions indicate the parts that are to be amended.)

Current Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">Chapter III General Meetings of Shareholders</p> <p>Article 15 (Chairman)</p> <p><u>A Representative Director of the Corporation determined in advance by the Board of Directors shall act as the chairman of the general meeting of shareholders.</u></p> <p>In case <u>said Representative Director</u> is unable to act so, another Director shall act in his place in accordance with an order of priority determined in advance by the Board of Directors.</p> <p><u>Article 16 (Provision of reference documents for general meetings of shareholders via the Internet)</u></p> <p><u>The Corporation may, in accordance with the rules established by the Ministry of Justice, use the Internet to furnish shareholders with the information related to the items required to be described or indicated in the reference documents for general meetings of shareholders, business reports, non-consolidated and consolidated financial statements, and such information may be deemed to have been furnished to shareholders.</u></p>	<p style="text-align: center;">Chapter III General Meetings of Shareholders</p> <p>Article 15 (Chairman)</p> <p><u>The President</u> shall act as the chairman of the general meeting of shareholders.</p> <p>In case <u>the President</u> is unable to act so, another Director shall act in his place in accordance with an order of priority determined in advance by the Board of Directors.</p> <p style="text-align: center;">(Deleted)</p>

Current Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">Chapter IV Directors and Board of Directors</p> <p>Article 26 (Executive Officers)</p> <p>By resolution of the Board of Directors, the Corporation <u>may appoint</u> one or more Executive Officers who are in charge of operating execution of the Corporation empowered by Directors.</p> <p style="text-align: center;">(Newly established)</p>	<p><u>Article 16 (Measures, etc. for providing information in electronic format)</u></p> <p><u>When the Corporation convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p><u>Among items for which the measures for providing information in electronic format will be taken, the Corporation may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p style="text-align: center;">Chapter IV Directors and Board of Directors</p> <p>Article 26 (Executive Officers)</p> <p>By resolution of the Board of Directors, the Corporation <u>appoints</u> one or more Executive Officers who are in charge of operating execution of the Corporation empowered by Directors.</p> <p><u>The Board of Directors shall select the President from among the Executive Officers by resolution.</u></p> <p><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <u>1. The deletion of Article 16 (Provision of reference documents for general meetings of shareholders via the Internet) in the current Articles of Incorporation and the establishment of the new Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u> <u>2. Notwithstanding the provision of the preceding paragraph, Article 16 of the current Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal 3: Election of Twelve (12) Directors

The terms of office of all twelve (12) Directors (including five (5) Independent Directors) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to elect twelve (12) Directors (including five (5) Independent Directors).

The candidates for Directors are as follows:


No.	Name		Position and areas of responsibility in the Corporation	Number of Board of Directors meeting attended (FY2022.3)	Tenure (at the conclusion of this General Meeting of Shareholders)
1	Takeo Obayashi	Reappointment	Chairman Representative Director	15/15	39 years
2	Kenji Hasuwa	Reappointment	Representative Director President	15/15	7 years
3	Yasuo Kotera	Reappointment	Representative Director Executive Vice President Responsible for overall administration	15/15	4 years
4	Toshihiko Murata	Reappointment	Director Executive Vice President Head of Osaka Main Office and Head of Yumeshima Development Division	15/15	4 years
5	Atsushi Sasagawa	Reappointment	Executive Vice President Responsible for overall building construction Head of Marketing Division and Head of Tokyo Main Office	13/13	1 year
6	Akinobu Nohira	New appointment	Executive Vice President Responsible for overall civil engineering construction Head of Civil Engineering Construction Division	–	–
7	Toshimi Sato	Reappointment	Director Senior Managing Executive Officer Responsible for Corporate Strategy and Business Innovation Divisions, Corporate Communications, Legal, Human Resources, Finance, and Accounting Departments, General Manager of Corporate Strategy Division and Senior General Manager at Tokyo Main Office (responsible for project administration)	15/15	4 years
8	Naoki Izumiya	Reappointment Outside Independent	Independent Director	15/15	4 years
9	Yoko Kobayashi	Reappointment Outside Independent	Independent Director	15/15	2 years
10	Masako Orii	Reappointment Outside Independent	Independent Director	14/15	2 years
11	Hiroyuki Kato	Reappointment Outside Independent	Independent Director	13/13	1 year
12	Yukiko Kuroda	New appointment Outside Independent	–	–	–


- Notes: 1. No special conflicts of interest exist between the Corporation and the proposed candidates.
2. The number of Board of Directors meetings attended by Messrs. Atsushi Sasagawa and Hiroyuki Kato only refers to the Board of Directors meetings held after they were appointed as Director at the 117th Ordinary General Meeting of Shareholders held on June 24, 2021.


	1	Takeo Obayashi	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>
	(Date of birth: Jun. 9, 1954)		
Number of the Corporation's shares held: 16,944,095 Tenure: 39 years Status of attendance to Board of Directors meeting: 15/15 (100%)	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]		
	Apr. 1977 Joined the Corporation Jun. 1983 Director Jun. 1985 Managing Director Jun. 1987 Senior Managing Director Jun. 1989 Executive Vice President Jun. 1997 Vice Chairman Jun. 2003 Chairman Jun. 2007 Director Jun. 2009 Chairman (incumbent) Representative Director (incumbent)		
[Reasons for nomination of the candidate as Director]			
Ever since assuming the Director position in 1983, Mr. Takeo Obayashi has been involved in the management of the Corporation as a member of the Board of Directors. He has demonstrated excellent management skills as Chairman, Representative Director since 2009. He plays an important role for corporate governance, prompting members of the Board of Directors including Independent Directors to discuss freely and striving for managing meetings to have constructive discussions, etc. as Chairman of the Board of Directors. The Corporation nominated him as a candidate for Director because he has such background and quality and is continuously essential for the Corporation's management.			
	2	Kenji Hasuwa	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>
	(Date of birth: Nov. 15, 1953)		
Number of the Corporation's shares held: 21,100 Tenure: 7 years Status of attendance to Board of Directors meeting: 15/15 (100%)	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]		
	Apr. 1977 Joined the Corporation Apr. 2010 Executive Officer Oct. 2012 Managing Executive Officer Oct. 2014 Head of Technology Business Development Division Jun. 2015 Director Apr. 2016 Senior Managing Executive Officer Mar. 2018 Representative Director (incumbent) President (incumbent)		
[Reasons for nomination of the candidate as Director]			
Ever since assuming the Executive Officer position in 2010, Mr. Kenji Hasuwa has held the positions of Senior General Manager-in-Charge of Civil Engineering Construction Division at Tokyo Main Office, Senior General Manager of Technology Division, and Head of Technology Business Development Division (responsible for overseeing new businesses including renewable energy business), and has been responsible for the Group's Construction Division, Technology Division, and New Businesses Division. He has demonstrated strong leadership as Representative Director and President since March 2018, contributing to improving the Group's corporate value. The Corporation nominated him as a candidate for Director based on the judgment that he has excellent capabilities and knowledge gained from this background and is necessary for improving the Corporation's corporate value further.			


	3	<p style="text-align: center;">Yasuo Kotera</p> <p style="text-align: right;">(Date of birth: Sep. 12, 1953)</p> <div style="text-align: right; border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>
<p>Number of the Corporation's shares held: 26,837</p> <p>Tenure: 4 years</p> <p>Status of attendance to Board of Directors meeting: 15/15 (100%)</p>	<p>[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]</p> <p>Apr. 1977 Joined the Corporation</p> <p>Apr. 2010 Executive Officer General Manager of Accounting Department at Head Office</p> <p>Apr. 2012 Managing Executive Officer</p> <p>Apr. 2015 Senior Managing Executive Officer</p> <p>Apr. 2017 Head of Real Estate Development Division</p> <p>Jun. 2018 Director</p> <p>Apr. 2020 Executive Vice President (incumbent)</p> <p>Apr. 2022 Representative Director (incumbent)</p> <p>Responsible for overall administration</p>	
<p>Number of the Corporation's shares held: 7,100</p> <p>Tenure: 4 years</p> <p>Status of attendance to Board of Directors meeting: 15/15 (100%)</p>	4	<p style="text-align: center;">Toshihiko Murata</p> <p style="text-align: right;">(Date of birth: Feb. 7, 1955)</p> <div style="text-align: right; border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>
	<p>[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]</p> <p>Apr. 1977 Joined the Corporation</p> <p>Apr. 2012 Executive Officer Senior General Manager-in-Charge of Building Construction Division at Osaka Main Office</p> <p>Apr. 2015 Managing Executive Officer Senior General Manager of Building Construction Division at Osaka Main Office</p> <p>Apr. 2017 Head of Building Construction Division</p> <p>Mar. 2018 Senior Managing Executive Officer</p> <p>Jun. 2018 Director (incumbent)</p> <p>Apr. 2019 Head of Tokyo Main Office</p> <p>Apr. 2021 Executive Vice President (incumbent) Head of Osaka Main Office (incumbent)</p> <p>Head of Osaka Main Office and Head of Yumeshima Development Division</p> <p>[Reasons for nomination of the candidate as Director]</p> <p>Since joining the Corporation, Mr. Toshihiko Murata has engaged in building construction business. Ever since assuming the Executive Officer position in 2012, he has held the positions of Head of Building Construction Division, Head of Tokyo Main Office, etc. He is currently serving as Executive Vice President, Head of Osaka Main Office, etc. He also has participated in the Corporation's management as Director since 2018. The Corporation nominated him as a candidate for Director based on the judgment that he has excellent capabilities and knowledge gained from this background and is capable of continuing fully performing his functions as Director by drawing on his considerable experience.</p>	


	5	Atsushi Sasagawa	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>
	(Date of birth: Apr. 1, 1958)		
Number of the Corporation's shares held: 6,737 Tenure: 1 year Status of attendance to Board of Directors meeting: 13/13 (100%)	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]		
	<p>Apr. 1980 Joined the Corporation</p> <p>Apr. 2015 Executive Officer Head of Yokohama Branch Office</p> <p>Mar. 2018 Managing Executive Officer Head of Building Construction Division at Osaka Main Office</p> <p>Apr. 2019 Senior Managing Executive Officer</p> <p>Jan. 2021 Head of Marketing Division (incumbent)</p> <p>Apr. 2021 Executive Vice President (incumbent) Head of Tokyo Main Office (incumbent)</p> <p>Jun. 2021 Director (incumbent)</p> <p>Responsible for overall building construction Head of Marketing Division and Head of Tokyo Main Office</p>		
[Reasons for nomination of the candidate as Director]			<div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div>
<p>Since joining the Corporation, Mr. Atsushi Sasagawa has engaged in building construction business. Ever since assuming the Executive Officer position in 2015, he has held the positions of Head of Yokohama Branch Office and Head of Building Construction Division at Osaka Main Office. He is currently responsible for overall building construction as Executive Vice President, and is serving as Head of Marketing Division and Head of Tokyo Main Office. He also has participated in the Corporation's management as Director since 2021. The Corporation nominated him as a candidate for Director based on the judgment that he has excellent capabilities and knowledge gained from this background and is capable of fully performing his functions as Director by drawing on his considerable experience.</p>			
	6	Akinobu Nohira	<div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div>
	(Date of birth: Apr. 30, 1956)		
Number of the Corporation's shares held: 22,300 Tenure: – Status of attendance to Board of Directors meeting: –	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]		
	<p>Apr. 1980 Joined the Corporation</p> <p>Oct. 2010 Senior General Manager of Nagoya Branch Office</p> <p>Apr. 2016 Executive Officer</p> <p>Apr. 2019 Managing Executive Officer Senior General Manager of Civil Engineering Construction Division</p> <p>Apr. 2020 Senior Managing Executive Officer Head of Civil Engineering Construction Division (incumbent)</p> <p>Apr. 2022 Executive Vice President (incumbent)</p> <p>Responsible for overall civil engineering construction Head of Civil Engineering Construction Division</p>		
[Reasons for nomination of the candidate as Director]			<div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div>
<p>Since joining the Corporation, Mr. Akinobu Nohira has engaged in the civil engineering construction business. He assumed the Executive Officer position in 2016 and has held the position of Senior General Manager of Civil Engineering Construction Division. He is serving as Executive Vice President, responsible for overseeing the civil engineering construction business, since April 2022. The Corporation nominated him as a candidate for Director based on the judgment that he has excellent capabilities and knowledge gained from this background and is capable of fully performing his functions as Director by drawing on his considerable experience.</p>			


	7	Toshimi Sato	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>
	(Date of birth: Apr. 6, 1960)		
<p>[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]</p> <p>Apr. 1985 Joined the Corporation</p> <p>Jan. 2011 Senior General Manager of North American Regional Headquarters at Overseas Business Division</p> <p>Apr. 2013 General Manager of Finance Department at Head Office</p> <p>May 2015 General Manager of Corporate Management Planning Department at Head Office</p> <p>Apr. 2017 Executive Officer</p> <p>Jun. 2018 Director (incumbent)</p> <p>Apr. 2019 Managing Executive Officer</p> <p>Apr. 2022 Senior Managing Executive Officer (incumbent)</p> <p>Responsible for Corporate Strategy and Business Innovation Divisions, Corporate Communications, Legal, Human Resources, Finance, and Accounting Departments, General Manager of Corporate Strategy Division and Senior General Manager at Tokyo Main Office (responsible for project administration)</p>			
Number of the Corporation's shares held:	5,500	<p>[Reasons for nomination of the candidate as Director]</p> <p>Since the joining of the Corporation, Mr. Toshimi Sato has engaged in overseas administrative work. Ever since assuming the Executive Officer position in 2017, he has been responsible for corporate management planning, human resources, finance and accounting, etc. He is currently serving as Senior Managing Executive Officer. He also has participated in the Corporation's management as Director since 2018. The Corporation nominated him as a candidate for Director based on the judgment that he has excellent capabilities and knowledge gained from this background and is capable of continuing fully performing his functions as Director by drawing on his considerable experience.</p>	
Tenure:	4 years		
Status of attendance to Board of Directors meeting:	15/15 (100%)		

	8	Naoki Izumiya	<table border="1" style="margin: auto;"> <tr> <td style="padding: 2px;">Reappointment</td> <td style="padding: 2px;">Outside</td> </tr> <tr> <td style="padding: 2px;">Independent</td> <td></td> </tr> </table>	Reappointment	Outside	Independent	
	Reappointment	Outside					
Independent							
(Date of birth: Aug. 9, 1948)							
Number of the Corporation's shares held: 0 Tenure: 4 years Status of attendance to Board of Directors meeting: 15/15 (100%)	<p>[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]</p> <p>Apr. 1972 Joined ASAHI BREWERIES, LTD.</p> <p>Mar. 2000 Corporate Officer of ASAHI BREWERIES, LTD.</p> <p>Mar. 2003 Director of ASAHI BREWERIES, LTD.</p> <p>Mar. 2004 Managing Director of ASAHI BREWERIES, LTD.</p> <p>Mar. 2006 Managing Director, Managing Corporate Officer of ASAHI BREWERIES, LTD.</p> <p>Mar. 2009 Senior Managing Director, Senior Managing Corporate Officer of ASAHI BREWERIES, LTD.</p> <p>Mar. 2010 President and Representative Director of ASAHI BREWERIES, LTD.</p> <p>Jul. 2011 President and Representative Director, COO of Asahi Group Holdings, Ltd.</p> <p>Mar. 2014 President and Representative Director, CEO of Asahi Group Holdings, Ltd.</p> <p>Mar. 2016 Chairman and Representative Director, CEO of Asahi Group Holdings, Ltd.</p> <p>Mar. 2018 Chairman and Representative Director of Asahi Group Holdings, Ltd.</p> <p>Jun. 2018 Independent Director of the Corporation (incumbent)</p> <p>Mar. 2019 Chairman of the Board of Asahi Group Holdings, Ltd.</p> <p>Mar. 2021 Special Adviser of Asahi Group Holdings, Ltd. (incumbent)</p> <p>Significant concurrent position: Outside Director of New Otani Co., Ltd. External Board Director of Recruit Holdings Co., Ltd.</p>						
<p>[Reasons for nomination of the candidate as Independent Director and outline of expected roles]</p> <p>Mr. Naoki Izumiya has considerable experience, excellent capabilities, knowledge, and character gained through many years of involvement in the management of the Asahi Group. The Corporation nominated him as a candidate for Independent Director in the expectation that he can provide advice and suggestions important for the decision-making regarding the Corporation's management policy and business strategy, from the viewpoint of a person with corporate management experience, such as serving as CEO, and based on the abundant knowledge of business strategy formulation, etc. The Corporation also expects that he can contribute to the operation and supervision of the Corporation's corporate governance from a third-party standpoint as a member of the Board of Directors and Chairperson of the Recommendation Committee and Remuneration Committee.</p>							

	9	Yoko Kobayashi	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 2px;">Reappointment</td> <td style="padding: 2px;">Outside</td> </tr> <tr> <td style="padding: 2px;">Independent</td> <td></td> </tr> </table>	Reappointment	Outside	Independent	
	Reappointment	Outside					
Independent							
(Date of birth: May 24, 1955)							
Number of the Corporation's shares held: 0	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation] <p>Apr. 1978 Joined Nippon Telegraph and Telephone Public Corporation (the predecessor of NTT)</p> <p>Jun. 2008 Member of the Board of Directors of NTT Communications Corporation</p> <p>Jun. 2010 President and CEO of NTT Com CHEO CORPORATION</p> <p>Jun. 2014 Audit & Supervisory Board Member of NTT Communications Corporation</p> <p>Jun. 2018 Outside Director, Audit and Supervisory Committee Member of Mitsubishi UFJ Trust and Banking Corporation (incumbent)</p> <p>Sep. 2018 General Auditor of Japan Aerospace Exploration Agency (incumbent)</p> <p>Jun. 2020 Independent Director of the Corporation (incumbent)</p> <p>Significant concurrent position: Outside Director, Audit and Supervisory Committee Member of Mitsubishi UFJ Trust and Banking Corporation General Auditor of Japan Aerospace Exploration Agency</p>						
Tenure: 2 years	[Reasons for nomination of the candidate as Independent Director and outline of expected roles]						
Status of attendance to Board of Directors meeting: 15/15 (100%)	Ms. Yoko Kobayashi has considerable experience, excellent capabilities, knowledge, and character gained through involvement in the management of the NTT Group. The Corporation nominated her as a candidate for Independent Director in the expectation that she can provide advice and suggestions important for the decision-making regarding the Corporation's management policy and business strategy, from the viewpoint of a person with experience in managing a company building a social infrastructure, and based on the abundant knowledge about entry into new businesses and ICT strategies, etc. The Corporation also expects that she can contribute to the operation and supervision of the Corporation's corporate governance from a third-party standpoint as a member of the Board of Directors, Recommendation Committee, and Remuneration Committee.						

	10	Masako Orii	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 2px;">Reappointment</td> <td style="padding: 2px;">Outside</td> </tr> <tr> <td style="padding: 2px;">Independent</td> <td></td> </tr> </table>	Reappointment	Outside	Independent	
	Reappointment	Outside					
Independent							
(Date of birth: Oct. 10, 1960)							
Number of the Corporation's shares held: 0	<p>[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]</p> <p>Apr. 1983 Joined Suntory Limited</p> <p>Apr. 2012 Executive Officer of Suntory Holdings Limited</p> <p>Apr. 2016 Senior Managing Director, Member of the Board of Suntory Wellness Limited</p> <p>Apr. 2019 Advisor of Suntory Holdings Limited (incumbent) Executive Director of Suntory Hall, Suntory Foundation for the Arts (incumbent)</p> <p>Jun. 2020 Independent Director of the Corporation (incumbent)</p> <p>May 2021 Outside Director, Audit and Supervisory Committee Member of TOHO CO., LTD. (incumbent)</p> <p>Significant concurrent position: Executive Director of Suntory Hall, Suntory Foundation for the Arts Outside Director, Audit and Supervisory Committee Member of TOHO CO., LTD.</p>						
Tenure: 2 years	<p>[Reasons for nomination of the candidate as Independent Director and outline of expected roles]</p> <p>Ms. Masako Orii has considerable experience, excellent capabilities, knowledge, and character gained through involvement in the management of the Suntory Group. The Corporation nominated her as a candidate for Independent Director in the expectation that she can provide advice and suggestions important for the decision-making regarding the Corporation's management policy and business strategy, from the viewpoint of a person with corporate management experience in a business area different from the Corporation, and based on the abundant knowledge about ESG management, etc. The Corporation also expects that she can contribute to the operation and supervision of the Corporation's corporate governance from a third-party standpoint as a member of the Board of Directors, Recommendation Committee, and Remuneration Committee.</p>						
Status of attendance to Board of Directors meeting: 14/15 (93%)							

	11	Hiroyuki Kato	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 2px;">Reappointment</td> <td style="padding: 2px;">Outside</td> </tr> <tr> <td style="padding: 2px;">Independent</td> <td></td> </tr> </table>	Reappointment	Outside	Independent	
	Reappointment	Outside					
Independent							
(Date of birth: Apr. 28, 1956)							
Number of the Corporation's shares held: 0	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]						
Tenure: 1 year	Apr. 1979 Joined Mitsui & Co., Ltd. Apr. 2010 Managing Officer of Mitsui & Co., Ltd. Apr. 2012 Executive Managing Officer of Mitsui & Co., Ltd. Jun. 2014 Representative Director, Senior Executive Managing Officer of Mitsui & Co., Ltd. Apr. 2016 Representative Director, Executive Vice President of Mitsui & Co., Ltd. Apr. 2018 Director of Mitsui & Co., Ltd. Jun. 2018 Counselor of Mitsui & Co., Ltd. Jul. 2020 Advisor of Mitsui & Co., Ltd. (incumbent) Jun. 2021 Independent Director of the Corporation (incumbent)						
Status of attendance to Board of Directors meeting: 13/13 (100%)	Significant concurrent position: Non-Executive Director of Sims Limited (Australia)						
	[Reasons for nomination of the candidate as Independent Director and outline of expected roles]						
	Mr. Hiroyuki Kato has considerable experience, excellent capabilities, knowledge, and character gained through involvement in the management of Mitsui & Co., Ltd. The Corporation nominated him as a candidate for Independent Director in the expectation that he can provide advice and suggestions important for the decision-making regarding the Corporation's management policy and business strategy, from the viewpoint of a person with corporate management experience in a business area different from the Corporation, and based on the abundant knowledge in the energy field, etc. The Corporation also expects that he can contribute to the operation and supervision of the Corporation's corporate governance from a third-party standpoint as a member of the Board of Directors, Recommendation Committee, and Remuneration Committee.						

	12	Yukiko Kuroda	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 2px;">New appointment</td> <td style="padding: 2px;">Outside</td> </tr> <tr> <td style="padding: 2px;">Independent</td> <td></td> </tr> </table>	New appointment	Outside	Independent	
	New appointment	Outside					
Independent							
(Date of birth: Sep. 24, 1963)							
Number of the Corporation's shares held:	0	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation] Apr. 1986 Joined Sony Corporation Jan. 1991 Representative Director of People Focus Consulting Co., Ltd. Jun. 2010 Outside Audit & Supervisory Board Member of Astellas Pharma Inc. Mar. 2011 Outside Director of CAC Holdings Corporation Apr. 2012 Managing Director/Founder of People Focus Consulting Co., Ltd. (incumbent) Jun. 2013 Outside Director of Marubeni Corporation Jun. 2015 Outside Member of the Board of Mitsui Chemicals, Inc. Jun. 2018 Outside Director of Seven Bank, Ltd. (incumbent) Independent Director of Terumo Corporation (incumbent) Significant concurrent position: Managing Director/Founder of People Focus Consulting Co., Ltd. Outside Director of Seven Bank, Ltd. Independent Director of Terumo Corporation					
Tenure:	–	[Reasons for nomination of the candidate as Independent Director and outline of expected roles]					
Status of attendance to Board of Directors meeting:	–	Ms. Yukiko Kuroda has considerable experience, excellent capabilities, knowledge, and character gained through involvement in the management of People Focus Consulting Co., Ltd., which she founded. The Corporation nominated her as a candidate for Independent Director in the expectation that she can provide advice and suggestions important for the decision-making regarding the Corporation's management policy and business strategy, from the viewpoint of a person with corporate management experience in a business area different from the Corporation, and based on the abundant knowledge in sustainability and organizational development, etc. The Corporation also expects that she can contribute to the operation and supervision of the Corporation's corporate governance from a third-party standpoint as a member of the Board of Directors, Recommendation Committee, and Remuneration Committee.					

- Notes: 1. Messrs. Naoki Izumiya and Hiroyuki Kato, and Mses. Yoko Kobayashi, Masako Orii, and Yukiko Kuroda are candidates for Independent Directors. In addition, they meet the "Requirements for Selection as an Independent Director/Outside Audit & Supervisory Board Member Candidate" stipulated by the Corporation (presented on page 23), and are candidates for independent directors/auditors pursuant to the provisions of the financial instruments exchange on which the Corporation is listed.
2. The Corporation has entered into a liability limitation agreement regarding the liabilities described in Clause 1, Article 423 of the Companies Act with Messrs. Naoki Izumiya and Hiroyuki Kato, and Mses. Yoko Kobayashi and Masako Orii. Under the agreement, each of them shall be liable to compensate for damages up to 5 million yen or the minimum liability limit set forth in Clause 1, Article 425 of the Companies Act, whichever is higher, if they were acting in good faith and did not commit gross negligence in performing their duties. If the candidates are re-elected at this General Meeting of Shareholders, the Corporation plans to renew the agreement with them.
 In addition, the Corporation plans to enter into the said liability limitation agreement with Ms. Yukiko Kuroda if she is elected at this General Meeting of Shareholders.
3. In accordance with Clause 1, Article 430-3 of the Companies Act, the Corporation has entered into a directors and officers liability insurance policy (D&O insurance policy) with an insurance company in order to secure talented personnel and prevent excessive irresolution in the execution of duties. An overview of the policy is presented on page 49 of the Japanese original of the Notice of Convocation of the 118th Ordinary General Meeting of Shareholders (4 (4) Overview of the directors and officers liability insurance policy (D&O insurance policy), etc.). Among the candidates for Director, those candidates for reelection are already insureds under the policy, and will continue to be such after their election. Moreover, those candidates for new election will become insureds after their election.
4. The name of candidate Yukiko Kuroda on the family register is Yukiko Matsumoto.

(Reference)

Expertise and Experience of Candidates for Director


Candidate name	Tenure	Building construction	Civil engineering construction	Real estate development	New business	ICT/Digital	Business Development	Public relations	Finance and accounting	Legal affairs Compliance Risk management	Global knowledge	ESG Sustainability	Corporate management
Takeo Obayashi	39 years										○		○
Kenji Hasuwa	7 years		○		○		○						○
Yasuo Kotera	4 years			○				○	○	○		○	○
Toshihiko Murata	4 years	○					○						○
Atsushi Sasagawa	1 year	○					○				○		○
Akinobu Nohira	-		○				○						
Toshimi Sato	4 years				○	○		○	○	○	○	○	○
Naoki Izumiya	4 years				○			○					○
Yoko Kobayashi	2 years				○	○	○	○		○			○
Masako Orii	2 years				○			○		○		○	○
Hiroyuki Kato	1 year				○						○		○
Yukiko Kuroda	-				○						○	○	○

Proposal 4: Election of Three (3) Audit & Supervisory Board Members


Of five (5) incumbent Audit & Supervisory Board Members, the term of office of Audit & Supervisory Board Member, Messrs. Hikaru Ueno, Tetsuo Nakakita, and Akihiko Nakamura will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to elect three (3) Audit & Supervisory Board Members. (Two of them are Outside Audit & Supervisory Board Members)

We obtained the prior consent of the Audit & Supervisory Board with respect to the submission of this proposal.

The candidates for Audit & Supervisory Board Members are as follows.

	1	Isao Watanabe	<div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div>
	(Date of birth: Nev. 1, 1959)		
Number of the Corporation's shares held: 3,000	[Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation]		
Status of attendance to Board of Directors meeting: —	Apr. 1982 Joined the Corporation Dec. 2008 General Manager of General Administration Department at Tohoku Branch Office Jan. 2011 General Manager of Public Relations Department, CSR Division Apr. 2013 General Manager of CSR Division May 2015 General Manager of Secretarial Department Apr. 2020 Senior General Manager of Kanto Branch Office Apr. 2022 Advisor (incumbent)		
Status of attendance to the Audit & Supervisory Board meeting: —	[Reasons for nomination of the candidate as Audit & Supervisory Board Member] Since joining the Corporation, Mr. Isao Watanabe has primarily engaged in the management department related to administration etc., and has held the positions of General Manager of the CSR Division at the Head Office and Senior General Manager of the Kanto Branch Office. He is currently serving as an advisor at the Corporation. The Corporation nominated him as a candidate for Audit & Supervisory Board Member based on the judgment that he has excellent capabilities and knowledge gained from this background and his considerable experience in administrative departments, etc. will allow him to effectively carry out audits of the Corporation.		

	2	Yoshihiro Yamaguchi	<input type="checkbox"/> New appointment <input type="checkbox"/> Independent	<input type="checkbox"/> Outside
	(Date of birth: Oct. 23, 1955)			
Number of the Corporation's shares held:	0	[Career summary, position and significant concurrent positions outside the Corporation] Apr. 1980 Joined the Ministry of Construction Apr. 1991 First Secretary of the Mission of Japan to the European Community at the Ministry of Foreign Affairs of Japan Jul. 2002 Director of Regional Development Division, City and Regional Development Bureau at the Ministry of Land, Infrastructure, Transport and Tourism "MLIT" Apr. 2004 Director of First Development and Promotion Division, Okinawa Development and Promotion Bureau at Cabinet Office Apr. 2005 Counselor for First Development and Promotion at Cabinet Office Jul. 2006 Director General of Business Development Department at Metropolitan Expressway Co., Ltd Jul. 2009 Executive Director of Research Institute of Construction and Economy "RICE" Aug. 2012 President of Policy Research Institute for Land, Infrastructure, Transport and Tourism at the Ministry of Land, Infrastructure, Transport and Tourism "PRI" May 2013 Chief Executive Director of the Overseas Construction Association of Japan, Inc. "OCAJI"		
Status of attendance to Board of Directors meeting:	-	Nov. 2019 Vice-president, Chief Executive Director of the Overseas Construction Association of Japan, Inc. "OCAJI" (incumbent) Significant concurrent position: Vice-president, Chief Executive Director of the Overseas Construction Association of Japan, Inc. (scheduled to retire the position on June 6, 2022)		
Status of attendance to the Audit & Supervisory Board meeting:	-	[Reasons for nomination of the candidate as Audit & Supervisory Board Member] Although Mr. Yoshihiro Yamaguchi has no previous involvement in corporate management, after many years of involvement in land, infrastructure, transport and tourism administration, he has considerable experience, excellent capabilities, knowledge, and character, as demonstrated in his efforts to support overseas business development in the construction industry as the Vice-president, Chief Executive Director of the Overseas Construction Association of Japan, Inc. The Corporation nominated him as a candidate for Outside Audit & Supervisory Board Member in order to have his considerable experience and extensive knowledge reflected in audits of the Corporation.		

	3	Eiji Mizutani	New appointment	Outside
			Independent	
		(Date of birth: Aug. 29, 1957)		
Number of the Corporation's shares held:	0	<p>[Career summary, position and significant concurrent positions outside the Corporation]</p> <p>Oct. 1981 Joined Shinwa Audit Corporation (currently KPMG AZSA LLC)</p> <p>Mar. 1985 Registered as Certified Public Accountant</p> <p>May 2003 Partner at Asahi & Co.(currently KPMG AZSA LLC)</p> <p>Sep. 2010 Board Member of KPMG AZSA LLC</p> <p>Apr. 2011 Chairperson of Senior Review Board of KPMG AZSA LLC</p> <p>Apr. 2014 General Manager of Quality Control Division of KPMG AZSA LLC</p> <p>Jun. 2021 Retired from KPMG AZSA LLC</p> <p>Audit & Supervisory Board Member of J-OIL MILLS, INC. (incumbent)</p> <p>Jul. 2021 Representative of Eiji Mizutani CPA Firm(incumbent)</p>		
Status of attendance to Board of Directors meeting:	—	<p>Significant concurrent position:</p> <p>Audit & Supervisory Board Member of J-OIL MILLS, INC.</p> <p>Representative of Eiji Mizutani CPA Firm</p>		
Status of attendance to the Audit & Supervisory Board meeting:	—	<p>[Reasons for nomination of the candidate as Audit & Supervisory Board Member]</p> <p>Although Mr. Eiji Mizutani has no previous involvement in corporate management, as a certified public accountant who is an accounting expert, he has specialized knowledge and considerable experience in corporate accounting, as well as excellent capabilities, knowledge, and character. The Corporation nominated him as a candidate for Outside Audit & Supervisory Board Member in order to have his considerable experience and extensive knowledge reflected in audits of the Corporation.</p>		

- Notes:
1. No special conflicts of interest exist between the Corporation and the proposed candidates.
 2. Messrs. Yoshihiro Yamaguchi and Eiji Mizutani are candidates for Outside Audit & Supervisory Board Members. In addition, they meet the “Requirements for Selection as an Independent Director/Outside Audit & Supervisory Board Member Candidate” stipulated by the Corporation (presented below), and are candidates for independent directors/auditors pursuant to the provisions of the financial instruments exchange on which the Corporation is listed.
 3. If Messrs. Isao Watanabe, Yoshihiro Yamaguchi, and Eiji Mizutani are elected at this General Meeting of Shareholders, the Corporation plans to enter into liability limitation agreements regarding the liabilities described in Clause 1, Article 423 of the Companies Act with them. Under the agreement, they shall be liable to compensate for damages up to 5 million yen or the minimum liability limit set forth in Clause 1, Article 425 of the Companies Act, whichever is higher, if they were acting in good faith and did not commit gross negligence in performing their duties.
 4. In accordance with Clause 1, Article 430-3 of the Companies Act, the Corporation has entered into a directors and officers liability insurance policy (D&O insurance policy) with an insurance company in order to secure talented personnel and prevent excessive irresolution in the execution of duties. An overview of the policy is presented on page 49 of the Japanese original of the Notice of Convocation of the 118th Ordinary General Meeting of Shareholders (4 (4) Overview of the directors and officers liability insurance policy (D&O insurance policy), etc.). The current Audit & Supervisory Board Members are insureds under the policy, and the three new Audit & Supervisory Board Members will become insureds after their election.

(Reference)

Process for selecting candidates for Director and Audit & Supervisory Board Member

The Corporation has established the Recommendation Committee and the Remuneration Committee as advisory bodies of the Board of Directors. The former deliberates on appointments of officers, and the latter deliberates on the remuneration of officers, and both submit the results to the Board of Directors.

Each committee is chaired by an Independent Director with the aim of enhancing corporate governance, and Independent Directors comprise a majority of the memberships (current composition is five Independent Directors and two (inside) Directors). This will help ensure that the Corporation's process for deciding on officer appointments makes transparent and objective.

Requirements for Selection as an Independent Director/Outside Audit & Supervisory Board Member Candidate

1. The Independent Director/Outside Audit & Supervisory Board member candidate ("Candidate") must have capabilities, knowledge, experience, and character suitable for such position at the Corporation. The Candidate must be able to provide directions and opinions to the Corporation's management from an independent and impartial standpoint.
2. The Candidate must not be a former director, Audit & Supervisory Board member, or employee of the Corporation or any of its associated companies.
3. The Candidate must not currently belong, and must not have belonged in the past, to an Accounting Auditor, law office, or main bank with which the Corporation currently has a contract.
4. The Candidate must not currently be, and must not have been in the past, a major shareholder with an ownership stake of 10% or more. The Candidate must not currently belong, and must not have belonged in the past, to an entity that is a major shareholder.
5. The Candidate must not currently belong, and must not have belonged in the past, to an entity that has a business relationship with the Corporation in which the annual amount of transactions has exceeded 2% of the net sales of both the Corporation and such entity during the last three fiscal years.
6. The Candidate must not currently work, and must not have worked in the past, as an executive at a non-profit organization to which the Corporation has made an annual donation exceeding 20 million yen during the last three fiscal years.
7. If the Candidate does not meet the requirements in 3. through 6., at least ten years must have passed since the Candidate left the relevant entity.
8. The Candidate must meet the requirements for an independent director/auditor pursuant to the provisions of the Tokyo Stock Exchange's Securities Listing Regulations.

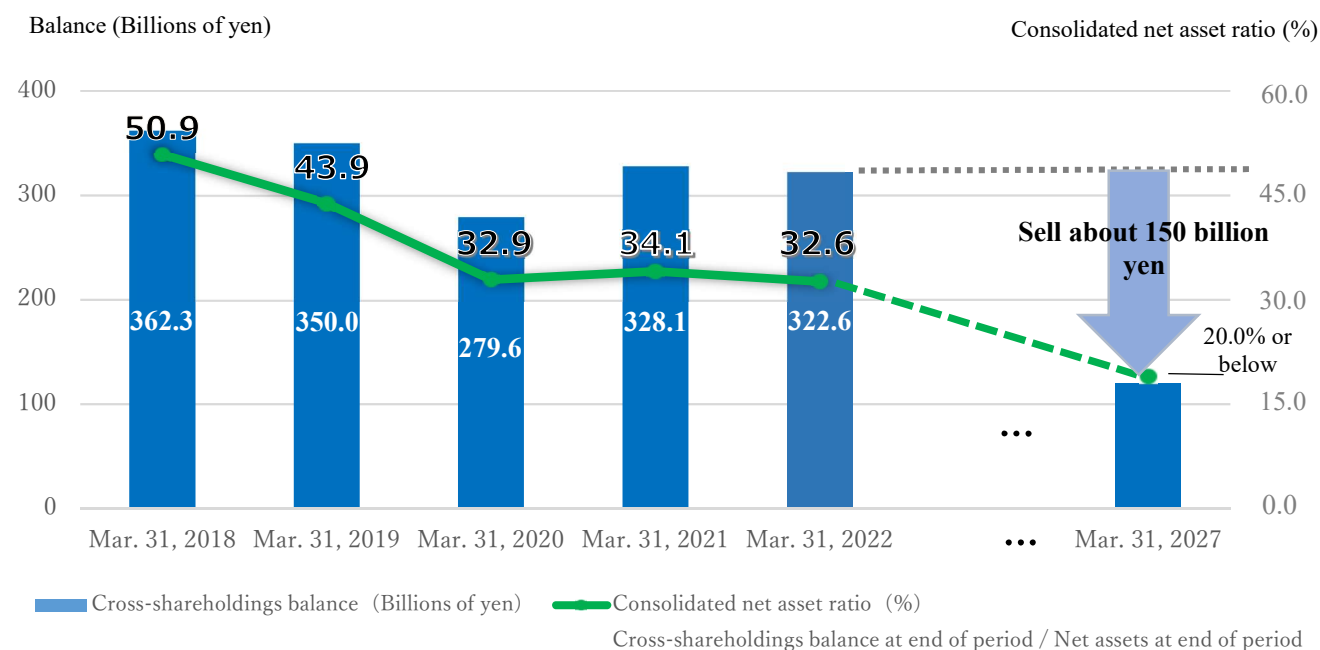
Policy on shares that we own in our customers' businesses

The Corporation owns shares in our customers' businesses (hereafter, "cross-shareholdings") to maintain and strengthen trade relationships with our customers. The Corporation evaluates the medium to long-term economic rationality by comprehensively taking into consideration profitability evaluation criteria such as capital cost and business return from maintaining and strengthening the business relationship and assesses the meaning of holding shares regularly and reports the assessment results to the Board of Directors. When the significance of having cross-shareholdings shares weakens, the Corporation sells shares as needed

In the Medium-Term Business Plan 2022, the Corporation will further review of the meaning of having cross-shareholdings and pursue investment efficiency and has decided to sell approximately 150.0 billion yen worth of shares in total in order to bring the ratio of cross-shareholdings to total net asset to less than 20% as early as possible by the end of March 2027.

The Corporation plans to use the proceeds from sales of cross-shareholdings effectively to enhance corporate value, by investing in areas that will contribute to sustained growth with medium and long-term growth in mind, in addition to investing for the purpose of securing stable investment revenue.

[Changes in the cross-shareholdings balance and consolidated net asset ratio]



[Changes in the sale of cross-shareholdings]

	(Yen in millions)				
	(FY2018.3)	(FY2019.3)	(FY2020.3)	(FY2021.3)	(FY2022.3)
Amount sold	8,710	5,454	9,263	7,702	16,973