

(Note) These documents are partial translations of the Japanese originals for reference purposes only. In the event of any discrepancy between these translated documents and the Japanese originals, the Japanese originals will prevail. The Company assumes no responsibility for these translations or for direct, indirect or any other forms of damages arising from the translation.

Securities Code: 6366

June 2, 2022

**Notice of the 94th Ordinary General Meeting of Shareholders and  
General Meeting of Class Shareholders Relating to Common Shares**

Dear Shareholders,

The Company would hereby like to inform you that the 94th Ordinary General Meeting of Shareholders and Ordinary General Meeting of Class Shareholders Relating to Common Shares of the Company will be held as follows.

The Company will submit to the coming Ordinary General Meeting of Shareholders the “Partial amendments to the Articles of Incorporation” as one of the proposals. Since a resolution pursuant to Article 322, Paragraph 1, Item (i)(c) is required for this Proposal, we will also hold the Ordinary General Meeting of Class Shareholders Relating to Common Shares.

If you are unable to attend the meeting in person, you may exercise your voting rights by using one of the following methods. Please refer to the reference materials for the meeting attached to this notice and exercise your voting right.

**Voting in Writing (by Mail)**

Please use the enclosed voting ballot to indicate your approval or disapproval of the proposals and return it to us by Wednesday, June 22, 2022.

**Voting via the Internet**

Please refer to “Exercising Your Voting Rights via the Internet or by Electronic Proxy” on page 3, and exercise your voting rights by 4:36 p.m. in Japan time, Wednesday, June 22, 2022.

If you vote both by mail and via the Internet, only your Internet vote will be deemed valid regardless of the receiving time.

Yours faithfully,

Masakazu Sakakida  
Representative Director, Chairman of the Board,  
President & CEO  
Chiyoda Corporation  
6-2, Minato Mirai 4-chome, Nishi-ku,  
Yokohama City, Kanagawa Pref.

- 1. Date and Time:** 10:00 a.m. on Thursday, June 23, 2022  
(Reception will open at 9:00 a.m.)
- 2. Venue:** Lecture Hall on the 11th floor of Minato Mirai Grand Central Tower, 6-2, Minato Mirai 4-chome, Nishi-ku, Yokohama City.

### 3. Meeting Agenda:

#### **[94th Ordinary General Meeting of Shareholders]**

- Matters to be reported:**
1. Business report, consolidated financial statements, and audit reports on consolidated financial statements by the Accounting Auditor and the Audit and Supervisory Committee for the 94th (from April 1, 2021 to March 31, 2022)
  2. Non-consolidated financial statements for the 94th (from April 1, 2021 to March 31, 2022)

**Matters to be resolved:**

- Proposal 1:** Partial amendments to the Articles of Incorporation
- Proposal 2:** Appointment of seven Directors who are not Audit and Supervisory Committee Members
- Proposal 3:** Appointment of two Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Appointment of one Director who is a substitute Audit and Supervisory Committee Members

#### **[Ordinary General Meeting of Class Shareholders Relating to Common Shares]**

**Matters to be resolved:**

- Proposal:** Partial amendments to the Articles of Incorporation

---

\* If you attend the meeting in person, please remember to hand in the enclosed voting ballot at the reception desk.

\* When exercising your voting rights by an authorized representative (proxy), please hand in the voting ballot along with an identification document that verifies the authority of representation at the reception desk. The proxy will be limited to one person who is a shareholder of the Company with voting rights as stipulated in the Articles of Incorporation.

\* The Company will post any modifications to the reference and attached materials for the meeting on the Company's website (<https://www.chiyodacorp.com/>)

## **Exercising Your Voting Rights via the Internet or by Electronic Proxy**

### **1. How to vote via the Internet**

Log on to the voting website (<https://evote.tr.mufg.jp/>) using the voter code and password indicated on the enclosed reference sheet and follow the on-screen instructions to register your vote for or against each proposal.

### **2. Electronic Proxy Voting Platform**

Institutional investors may use the Electronic Proxy Voting Platform for Institutional Investors managed by ICJ, Inc. as an electronic method for the exercise of votes at the General Meeting of Shareholders of the Company.

## Business Report

From April 1, 2021 to March 31, 2022

### 1. Information about Chiyoda Corporation (“Chiyoda”) shares (as of March 31, 2022)

#### (1) Total authorized shares

Common shares	1,000,000,000 shares
Class A preferred shares	175,000,000 shares

#### (2) Total issued and outstanding shares

Common shares	260,324,529 shares	(number of share unit: 100 shares)
Class A preferred shares	175,000,000 shares	(number of share unit: 1 share)

#### (3) Number of shareholders

Common shares	42,694 persons	(down 800 from March 31, 2021)
Class A preferred shares	1 person	

#### (4) Major shareholders (top 10)

##### (i) Common shares

Shareholder	No. of shares held (thousands)	Interest (%)
Mitsubishi Corporation	86,931	33.45
MUFG Bank, Ltd.	9,033	3.48
Master Trust Bank of Japan, Ltd. (trust account)	5,226	2.01
Custody Bank of Japan, Ltd. (trust account)	4,338	1.67
Chiyoda Corporation Stock Ownership Association	4,091	1.57
Mitsubishi UFJ Trust and Banking Corporation	3,874	1.49
Government of Norway	3,059	1.18
Meiji Yasuda Life Insurance Company	2,265	0.87
SSBTC Client Omnibus Account	2,222	0.86
Chiyoda Business Partner Shareholding Association	1,960	0.75

Note: Interest is calculated after deducting treasury shares (448,176 shares). Chiyoda shares (909,600 shares) held in the Officers Compensation BIP Trust (see (6) for details) are not included in treasury shares.

##### (ii) Class A preferred shares

Shareholder	No. of shares held (thousands)	Interest (%)
Mitsubishi Corporation	175,000	100

#### (5) Shares delivered to Chiyoda executives as consideration for the execution of their duties in the year under review

N/A

#### (6) Other material information about Chiyoda shares

At the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021, the shareholders approved the introduction of a Performance-Based Stock Compensation Plan for our directors and executive officers (excluding non-executive directors and non-residents of Japan) aimed at heightening the mindset of contributing to the improvement of medium-to-long term business performance and the enhancement of corporate value, using a mechanism referred to as an Officers Compensation Board Incentive Plan (BIP) trust.

As of March 31, 2022, the number of shares held in the Officers Compensation BIP Trust is 909,600 shares.

## 2. Company directors

### (1) List of directors as of March 31, 2022

Name	Position and responsibilities	Significant concurrent positions
Masakazu Sakakida	Representative Director, Chairman of the Board & CEO, CWO	
Masaji Santo	Representative Director, President & COO, CSO	
Koji Tarutani	Representative Director, Executive Vice President, CFO and Division Director of Finance & Accounting Division	
Tsunenori Kazama	Director	
Masao Ishikawa	Director	
Aiichiro Matsunaga	Director	Executive Vice President, Mitsubishi Corporation
Nobuo Tanaka	Director	Audit & Supervisory Board Member, INNOTECH CORPORATION
Ryo Matsukawa	Director	
Shingo Torii	Director, Audit and Supervisory Committee Member (full time)	
Mika Narahashi	Director, Audit and Supervisory Committee Member	Attorney
Hisashi Ito	Director, Audit and Supervisory Committee Member	Reprehensive Director and Chairman, Mitsubishi UFJ Trust Systems Co., Ltd.

- Notes:
1. With the expiration of his term and his retirement as company president, Mr. Masaji Santo relinquished his representative authority as of March 31, 2022. The position and responsibilities shown are those at the time of his retirement.
  2. Mr. Kazushi Okawa and Mr. Hiroshi Yamaguchi completed their terms as directors as of the end of the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021.
  3. Mr. Takahiro Kitamoto completed his term as a director who is an Audit and Supervisory Committee member as of the end of the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021.
  4. Mr. Nobuo Tanaka and Mr. Ryo Matsukawa are outside directors. Ms. Mika Narahashi and Mr. Hisashi Ito are outside directors who serve as members of the Audit and Supervisory Committee.
  5. In order to enhance audit effectiveness and strengthen the audit and supervisory functions by improving information gathering and closely coordinating with the Internal Audit Department and other departments, Mr. Shingo Torii has been named to serve as the full-time member of the Audit and Supervisory Committee.
  6. Chiyoda has designated Mr. Nobuo Tanaka, Mr. Ryo Matsukawa, Ms. Mika Narahashi, and Mr. Hisashi Ito as independent officers pursuant to Tokyo Stock Exchange, Inc. regulations, and we have filed this information with the exchange.
  7. Mr. Shingo Torii, a director who is an Audit and Supervisory Committee member, has been in charge of the accounting department of a business enterprise and has considerable knowledge of finance and accounting.
  8. Pursuant to Article 427, Paragraph 1 of the Companies Act, Chiyoda has entered into contracts with Mr. Tsunenori Kazama, Mr. Masao Ishikawa, Mr. Aiichiro Matsunaga, Mr. Nobuo Tanaka, Mr. Ryo Matsukawa, Mr. Shingo Torii, Ms. Mika Narahashi, and Mr. Hisashi Ito to limit the liability for damages as provided in Article 423, Paragraph 1 of the Companies Act. The maximum liability amount under these contracts is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  9. Chiyoda has entered into a contract with an insurance company for directors and officers liability insurance ("D&O insurance") as provided in Article 430-3, Paragraph 1 of the Companies Act, with Chiyoda directors and executive officers as the insureds. If the insureds are liable for damages arising from their work, the damages will be covered by the insurance policy (except under circumstances excluded under the insurance policy). The entire amount of the D&O insurance premiums is borne by Chiyoda.
  10. CEO, CWO, COO, CSO, and CFO are acronyms for the following titles:  
 CEO: Chief Executive Officer  
 CWO: Chief Wellness Officer  
 COO: Chief Operating Officer  
 CSO: Chief Sustainability Officer  
 CFO: Chief Financial Officer

(2) Director compensation for the year under review

(i) Total compensation for the year under review

	No. of persons	Base compensation (million yen)	Performance-based compensation (million yen)	Compensation for acquiring treasury shares (million yen)	Performance-based stock compensation (million yen)
Directors who are not Audit and Supervisory Committee members (Outside directors)	9 (3)	145 (18)	- (-)	5 (-)	17 (-)
Directors who are Audit and Supervisory Committee Members (Outside directors)	4 (2)	40 (17)	(NA)	(NA)	(NA)

Notes:

- The figures above show the number of directors who received compensation for the year under review, including two directors and one director who is an Audit and Supervisory Committee member, who completed their terms as of the end of the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021.
- Because compensation for acquiring treasury shares was terminated and performance-based stock compensation was introduced in July 2021, the amount shown is the amount of compensation for acquiring treasury shares for April to June 2021.
- The following reductions were made in conjunction with the posting of an extraordinary loss in connection with the Ichthys LNG project dispute.
  - Chairman and president: 30% reduction in monthly base salary for three months starting August 2021
  - Other directors (including outside directors who are not Audit and Supervisory Committee members): 10-20% reduction in monthly base salary (depending on position and duties) for three months starting August 2021
  - Directors who are Audit and Supervisory Committee members: 10% voluntary relinquishment of monthly base salary for three months starting August 2021

(ii) Policy for determining compensation

Chiyoda's executive compensation plan is designed to strengthen the link to performance, ensure that directors share the values of our shareholders, and improve the desire and drive to boost the company's performance. The following components of the plan were approved at the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021 (number of directors elected at the meeting: eight directors who are not Audit and Supervisory Committee Members and three directors who are Audit and Supervisory Committee members).

Position	Category (name)	Compensation rationale	Description of the compensation plan
Directors who are not Audit and Supervisory Committee Members	Base compensation	Linked to job responsibilities and individual performance	Up to 290 million yen annually. (Up to 30 million yen annually for outside directors)
	Performance-based compensation	Based on performance during the period, taking into consideration quantitative factors such as the level of the current net profit and dividends attributable to the parent's shareholders	
	Performance-based stock compensation	Linked to medium to long term performance improvement	
Audit and Supervisory Committee member	Base compensation	Linked to job responsibilities	Up to 60 million yen annually.

Notes:

- Outside directors receive only fixed compensation.
- On May 7, 2021 the Board of Directors decided that base compensation will be paid monthly and that performance-based compensation will be paid annually at a set time.

3. Performance-based compensation is calculated by multiplying the standard amount for each position by a coefficient that reflects these quantitative and qualitative factors.
4. For performance-based stock compensation, a trust has been established, and points are granted to directors at a set time each year based on their positions and actual achievement of given performance goals (current net profit attributable to the parent's shareholders). In principle, when a director leaves the company, they will receive a distribution of the number of Chiyoda shares that corresponds to certain percentage of the Cumulative Points granted through the trust, and the number of Chiyoda shares corresponding to the remaining points will be converted to cash in the trust, and they will receive payment in the amount equivalent to the proceeds of that conversion.
5. Net profit attributable to shareholders of the parent company was chosen as the performance benchmark that serves as the basis for calculating performance-based compensation and performance-based stock compensation because it is thought to be appropriate for strengthening the link to performance and improving the desire and drive to boost the company's performance. The net loss attributable to shareholders of the parent company used in calculating performance-based compensation and performance-based stock compensation for the year under review is 12,629 million yen.

At its May 7, 2021 meeting, the Board of Directors determined the method for setting compensation for individual directors. Under these guidelines, director compensation comprises base compensation, performance-based compensation, and performance-based stock compensation. The proportions of base compensation, performance-based compensation, and performance-based stock compensation are set in such a way as to ensure that compensation functions appropriately as an incentive for each director involved in business execution to enhance corporate value, while also functioning to appropriately reflect the degree of contribution to higher corporate value. The Board of Directors has determined that the method for setting the compensation for individual directors for the year under review as well as the amounts decided are consistent with this policy, and therefore they are in accordance with the policy, and it approves the amount of compensation for each individual director.

(3) Outside directors

- (i) Relationships between Chiyoda and other corporations and other entities where directors concurrently hold significant positions

There are no special business relationships between Chiyoda and entities where directors concurrently hold positions.

- (ii) Director activity during the year under review

Category	Name	Attendance, remarks, and duties performed in relation to expected role
Outside director	Nobuo Tanaka	Mr. Tanaka attended all 21 of the board meetings held during the year under review. He is expected to supervise Chiyoda management from an objective and professional point of view, and he used his global insight, which is based on his professional expertise and overseas experience in the energy field, to comment as necessary to ensure the validity of company decision-making. In particular, he made recommendations to management across the company from multiple perspectives, properly fulfilling the expectations of his role.
Outside director	Ryo Matsukawa	Mr. Matsukawa attended all 15 of the board meetings held during the year under review after his election on June 23, 2021. He is expected to supervise Chiyoda management from an objective and professional point of view, and he used his wealth of expertise and company management experience to comment as necessary to ensure the validity of company decision-making. In particular, he made recommendations to management across the company from multiple perspectives, properly fulfilling the expectations of his role.
Outside director (Audit and Supervisory Committee member)	Mika Narahashi	Ms. Narahashi attended 20 of the 21 board meetings and all 16 Audit and Supervisory Committee meetings held during the year under review. She is expected to help strengthen our legal affairs, compliance, and governance management by using her expertise and experience as an attorney as well as her experience in corporate legal affairs to audit and supervise Chiyoda management in a highly professional manner from an objective point of view, commenting as necessary to ensure the validity of company decision-making. In particular, she made recommendations and provided advice, including legal explanations, from a professional legal standpoint, properly fulfilling the expectations of her role.
Outside director (Audit and Supervisory Committee member)	Hisashi Ito	Mr. Ito attended all 21 of the board meetings and all 16 of the Audit and Supervisory Committee meetings held during the year under review. He is expected to audit and supervise Chiyoda management in a highly professional manner from objective multiple perspectives, using his wealth of corporate management experience and overseas experience to comment as necessary on management audits. In particular, using his financial accounting and IT/digital expertise he made recommendations and provided advice across the company, properly fulfilling the expectations of his role.

### 3. Independent auditor

(1) Name of the independent auditor  
Deloitte Touche Tohmatsu LLC

(2) Compensation to the independent auditor in the year under review

(i) Compensation to the independent auditor in the year under review  
160 million yen

(ii) Total amount of monetary and other financial benefits that must be paid by Chiyoda and Chiyoda subsidiaries  
183 million yen

Notes:

1. The contract with the independent auditor does not separate the fee for the Companies Act audit and the fee for the Financial Instruments and Exchange Act audit, so the compensation amount shown in Item 1) above is the total for both.
2. Of our major subsidiaries, our foreign subsidiaries are audited by an auditing firm other than our independent auditor.
3. The Audit and Supervisory Committee determined that the compensation to the independent auditor was appropriate and gave its consent as provided in Paragraphs 1 and 3 of Article 399 of the Companies Act. It did so after receiving the necessary materials and hearing reports from directors, related departments within the company, and the independent auditor. Along with verifying the details of the audit plan, including the auditing framework to be used by the independent auditor, as well as the basis for calculating the estimated fee, such as the time and rate, it also took into consideration the previous year's performance, other non-auditing work contracted to the firm, and examples at other companies.

(3) Policy for dismissing or declining the reappointment of the independent auditor

The Audit and Supervisory Committee will dismiss the auditing firm that is the independent auditor ("current independent auditor") by unanimous consent of the Audit and Supervisory Committee members under any of the circumstances listed in Article 340, Paragraph 1 of the Companies Act.

Under such circumstances, the Audit and Supervisory Committee will appoint a temporary independent auditor if necessary, and the Audit and Supervisory Committee member selected by the Audit and Supervisory Committee will also report and explain the reasons for the dismissal of the current independent auditor and the appointment of the temporary independent auditor at the first Ordinary General Meeting of Shareholders convened after such dismissal.

If it becomes difficult for the current independent auditor to properly carry out the audit for some reason, or if it is determined that the current independent auditor must be changed in light of the quality, validity, or efficiency of the audit being performed by the current independent auditor, the Audit and Supervisory Committee will decide on a proposal to decline the reappointment of the current independent auditor and appoint a new independent auditor. Under such circumstances, at the Ordinary General Meeting of Shareholders the Audit and Supervisory Committee member selected by the Audit and Supervisory Committee will report and explain the reasons for declining to reappoint the current independent auditor and appointing a new independent auditor.

Note: The Audit and Supervisory Committee decided the foregoing on June 23, 2021.



#### 4. Frameworks and policies

Overview of the framework to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation, framework to ensure that business is otherwise properly conducted, and the status of these systems

<Framework to ensure that business is properly conducted>

An overview of the framework established to ensure that business is properly conducted, approved by the Board of Directors (Basic Policy for Internal Control Systems), is presented below. (Latest revision: March 29, 2022)

[Basic approach to internal control systems]

In accordance with laws and regulations, Chiyoda puts in place and uses internal control systems to ensure that business is properly conducted. An Internal Controls Committee, chaired by the CFO, has been established to strengthen our internal controls. This committee coordinates and collects opinions within the company and proposes improvements to internal controls to the Representative Director & President at the end of each period or as necessary. The Representative Director & President then reviews and approves such proposals through the Executive Committee, and Board of Directors makes any decisions regarding the internal control systems.

[Status of internal control systems]

##### 1. Regulatory compliance framework

(1) Chiyoda places the highest priority on conducting business in compliance with Japanese and foreign laws and regulations and in accordance with our corporate ethics. We carry out our business activities in accordance with our Corporate Philosophy and the Chiyoda Group Code of Conduct.

Additionally, with the objective of supporting sustainable growth and the medium to longer term enhancement of corporate value, we have established a Corporate Governance Policy that sets out our fundamental approach to corporate governance and our basic policy, and we endeavor put this into practice as the foundation of our business activities. The directors take the initiative in setting an example, and the Board of Directors oversees the execution of duties by the directors to ensure regulatory compliance.

(2) To strengthen the regulatory compliance framework, Chiyoda creates the position of Chief Compliance Officer (CCO) and the Compliance Committee. Furthermore, in addition to raising the awareness of our officers and employees by establishing related rules and manuals, conducting various training programs, and providing relevant information, Chiyoda also improves the effectiveness of our compliance efforts by establishing an internal whistleblower program and an advice desk. Those who have made reports or sought advice may not be subjected to retaliatory treatment as a result of the information reported.

(3) In its decision-making process, the Board of Directors reviews legal issues and business decision-making processes with legal advisors as necessary to improve objectivity and transparency.

(4) The Internal Audit Department performs audits of regulatory compliance within company departments and reports to the Board of Directors.

(5) Chiyoda resolutely confronts anti-social forces and does not furnish benefits to them. If we receive an improper demand from an anti-social force, we will address it as an organization by coordinating with outside professionals such as law enforcement and our legal counsel.

##### 2. Information retention and management framework

(1) Chiyoda ensures that the information handled by directors in the execution of their duties is properly retained and managed by defining basic matters such as the documents covered, the responsible manager, and the retention period through internal rules governing the management of documents and confidential information.

(2) Chiyoda properly retains and manages the minutes of important meetings such as Board of Directors and the Executive Committee meetings, which are prepared in accordance with laws and regulations as well as internal rules.

### 3. Loss management framework

- (1) The head of the department that is responsible for companywide risk management collaborates with the chief officer in charge and the department heads to build loss management systems for various types of risks, in accordance with internal rules and various manuals.
- (2) Winning orders for projects and then executing them is at the very core of our business. As part of our strategy of accepting orders only after taking into consideration the financial size of our company and the number of employees, we have established a permanent department that is responsible for managing project risk from start to finish. This department deliberates risk at every stage, starting before we even take up a project, and reviews every stage, including estimate guidelines and proposals. On the project execution side, the department provides management and project support both in terms of execution support and internal checks. It does this by establishing multi-track reporting lines, strengthening autonomous risk management within operating divisions, strengthening inter-department cooperation, and introducing mechanisms that make it possible to visually represent P&L and risk with a high degree of frequency.
- (3) A permanent department has also been established to oversee crisis management across the company, and it oversees the activities of the risk managers assigned to each department in an integrated fashion. While being constantly engaged in prevention and control activities such as disseminating relevant information and giving warnings, this risk oversight department also responds in emergencies by serving as a central coordinating office when a crisis arises.

### 4. Efficiency framework

- (1) The Board of Directors makes decisions regarding company-wide management policies and important business actions, and it formulates specific business plans in order to achieve management goals. Additionally, to ensure that business decisions can be made swiftly, to the extent that it does not conflict with laws and regulations, some authority is transferred to the Representative Director & President to ensure that these duties are carried out efficiently. Seeking to improve efficiency through matrix management, we have also established committees as organizations that cut across business departments. Specifically, to strengthen governance we have established the Internal Controls Committee, Compliance Committee, SQEI Management Committee, and Sustainability Committee. The Board of Directors appoints the chair of each committee. To strengthen business strategy and companywide resource allocation, we have established the Integrated Strategy Committee, Carbon-free Business Promotion Committee, Consolidated Management Promotion Committee, Project Competitiveness Committee, and Human Resources Management Committee. The company president appoints the chair of each committee.
- (2) To help ensure that management goals are achieved in an efficient manner, we have adopted a nimble organizational structure and clarified and delegated authority based on our internal rules governing authority and the assignment of duties.
- (3) To improve work efficiency across the company, internal rules are systematically developed and then enforced and administered in an appropriate way. We proactively use information systems to share information about these rules and analyze them.

### 5. Company group internal control framework

- (1) Through our Corporate Philosophy and the Chiyoda Group Code of Conduct, Chiyoda Group makes clear the values that are to be shared by all officers and employees of group companies, and Chiyoda and our group companies maintain close cooperation while carrying out our business.
- (2) Along with establishing internal rules to ensure that business is carried out in an appropriate and efficient manner as the Chiyoda Group, the group companies are managed and supervised by designating a supervising department for each group company. Furthermore, a permanent department will be established to draft plans and proposals, exercise control, and provide instructions in relation to the group companies.
- (3) Group companies will establish an internal control framework that is consistent with Chiyoda's, including systems for reporting information to Chiyoda in a timely and appropriate manner and internal whistleblower programs, based on thinking that is consistent with Chiyoda's. Specifically, to address regulatory compliance, we will establish the Group Company Compliance Liaison Committee, comprising members from the group companies, to facilitate information sharing within Chiyoda Group.

Risk management and crisis management systems that follow the Chiyoda framework are being developed for the group companies. Chiyoda's Internal Audit Department conducts internal audits of the group companies.

- (4) For major group companies, a member of Chiyoda's Audit and Supervisory Committee concurrently serves as auditor, and may conduct proper investigations as necessary.

#### 6. Framework to ensure the effectiveness of audits by the Audit and Supervisory Committee

- (1) A dedicated staff member will be assigned to assist the Audit and Supervisory Committee in performing its duties, in order to support their auditing activities.
- (2) To ensure the independence of that staff member and to ensure the effectiveness of the instructions to that staff member, the personnel evaluations for that staff member are performed by the Audit and Supervisory Committee, any personnel changes must be approved in advance by the Audit and Supervisory Committee, and that staff member may not concurrently serve in any role concerning the execution of our business.

#### 7. Audit and Supervisory Committee reporting framework

- (1) At the request of the Audit and Supervisory Committee, officers and employees report on their activities relating to internal controls on a regular basis or whenever important matters arise. Chiyoda will not subject those officers and employees who have made reports to the Audit and Supervisory Committee to retaliatory treatment as a result of a report.
- (2) In order to ensure the effectiveness of audits conducted by the Audit and Supervisory Committee, the representative directors meet regularly with the Audit and Supervisory Committee to exchange views on reports made by officers and employees to the Audit and Supervisory Committee. Additionally, when the Audit and Supervisory Committee asks that a member or members of the Audit and Supervisory Committee be seated at an Executive Committee meeting or other important meeting, the representative directors address such requests.
- (3) To ensure the effectiveness of reporting by group companies, the Audit and Supervisory Committee meets regularly with the auditors from major group companies to exchange views and share information about the group's internal control framework.
- (4) When the Audit and Supervisory Committee requests that an independent outside expert be appointed for an audit by the Audit and Supervisory Committee members, Chiyoda will bear the expense unless it is shown to be clearly unnecessary with respect to the duties of the Audit and Supervisory Committee members.

#### 8. Framework to ensure reasonableness of financial reports

- (1) Chiyoda and our major group companies have developed and use an internal control framework, such as documenting business rules, to ensure the reasonableness of our financial reports as required under the Financial Instruments and Exchange Act. If a new risk is recognized or if some sort of defect or deficiency in this system is discovered, we work to promptly improve the framework.
- (2) To ensure the effectiveness of the internal control functions for financial reports spanning the entire organization, Chiyoda has established a highly independent Internal Audit Department in order to gauge and verify the actual state of control activities within each department using audits of daily operations and other means.

#### <Overview of the status of framework to ensure that business is properly conducted>

Chiyoda uses internal control systems that are based on the basic approach to internal control systems that has been approved by the Board of Directors. The Internal Controls Committee, which was established in FY2021 based on these systems, is made up of a small number of directors who are closely involved in internal control systems and is chaired by the head of the Strategy & Risk Integration Division. The committee accelerates further improvements to internal control systems by grasping the circumstances in which Chiyoda operates as well as social changes in a timely manner, expediting decision-making, and swiftly issuing instructions to the relevant departments. It also makes recommendations to the Representative Director & President aimed at strengthening governance.

The Internal Controls Committee met twice during FY2021 to check the status of each department and share information. The Internal Controls Committee plans to meet twice in FY2022.

Major initiatives in FY2021:

1) Regulatory compliance initiatives

- The Chiyoda Corporate Governance Policy was revised and released in accordance with the revision of the Corporate Governance Code and the Company's and our company circumstances.
- The Chief Compliance Officer (CCO) regularly reports to the Board of Directors on the specific circumstances of important compliance-related cases, such as cases involving reputational risk to the Chiyoda Group and cases that could affect Chiyoda's business. The substance of these reports and any instructions or requests from the Board of Directors are shared with the compliance officers from various units and group companies at the Compliance Committee, leading to the implementation of effective measures to prevent such incidents from occurring.
- We conducted level-specific compliance training, training for individuals being assigned to positions overseas, and harassment training.
- The Internal Audit Department conducted audits of our compliance program, compliance framework, and compliance-related documentation.

2) Information retention and management framework

We have obtained ISMS certification for Chiyoda and our major group companies, and we are working to avoid and minimize the impact of information security risks, including addressing cyber-attacks.

3) Loss management initiatives

- With respect to risk management, when we are seeking to win the order for a project, the responsible department conducts a cold eye review and relevant corporate units submit their opinions to the Executive Committee as we strictly assess risk and determine whether to accept the order.
- On the project execution side, we continued to establish multi-track reporting lines, strengthen autonomous risk management within operating divisions, and strengthen inter-department cooperation. We built a company-wide support system for important projects, making it possible to visually represent P&L and risk, and expanding the scope to encompass medium sized projects and projects with deteriorating profitability (including subsidiary projects).
- We implemented safety measures across the company and all construction sites for crisis events that could affect our performance both inside and outside of Japan (including geopolitical risks and infectious diseases risks)

4) Efficiency initiatives

- To ensure that important business decisions can be made swiftly and that they are deliberated in a timely and appropriate manner, to the extent allowed by law, the Chiyoda Board of Directors transfers some authority to the Representative Director & President to ensure that these duties are carried out efficiently.
- The Executive Committee, an advisory body to the Representative Director & President, deliberates on matters concerning business execution as decided by the Board of Directors, such as deliberating in advance on matters to be submitted to the Board of Directors, and the transparency of its decision-making is ensured by reporting to the Representative Director & President, who is the individual responsible for overseeing all business execution.
- To improve the information flow to directors and support a smooth decision-making process, the directors are provided with a report on the state of the business each quarter, rotating reports on the state of the divisions at the regular board meetings, and quick-response reports when there is substantial movement on a major project.
- We established a CDO Office and we are pushing all employees to accelerate digital transformation across the company.
- We introduced a new human resources system in line with our Human Resource Development Policy and we implemented various measures to make this known and accepted internally.
- As part of work process innovation, we continued to pursue system improvements, faster RPA, work-life balance reform, health and productivity management, and cost reductions.

5) Company group internal control initiatives

- Through our Corporate Philosophy and the Chiyoda Group Code of Conduct, as well as the Revitalization Philosophy that we published in support of our Revitalization Plan, Chiyoda Group makes clear the values that are to be shared by all officers and employees of group

companies, and Chiyoda and our group companies maintain close cooperation while carrying out our business.

- As part of Chiyoda Group's regulatory compliance efforts, compliance-related departments worked to raise regulatory compliance awareness in order to instill the CCO's guidance at major group companies. In addition, highly effective and specific countermeasures, based on case studies, were brought to group companies through vehicles such as the Group Companies Compliance Liaison Committee.
- At Japanese group companies we conducted level-specific seminars tailored to each company in order to instill compliance awareness at the workplace.

6) Initiatives concerning audit reports and ensuring the effectiveness of audits by the Audit and Supervisory Committee

- The representative directors, CCO, and head of the Strategy & Risk Integration Division receive reports and exchange views on the status of the execution of auditing duties by regularly meeting with the Audit and Supervisory Committee members, who in turn gather information from organizational heads.
- Audit and Supervisory Committee members attend meetings of the Executive Committee, Compliance Committee, and other important meetings. In order to liaise with internal control departments, they also attend meetings of the Internal Controls Committee and offer opinions.
- The Audit and Supervisory Committee met regularly with the auditors from major group companies, and exchanged views and shared information about the internal control framework for the company group.

7) Framework to ensure reasonableness of financial reports

Off-balance-sheet liabilities for legal disputes involving Chiyoda or the group companies are assessed case-by-case.

---

Note: Monetary amounts and numbers of shares stated in this business report are rounded down to the nearest unit.

## **Proposal 1: Partial amendments to the Articles of Incorporation**

### 1. Reason for proposal

(1) In order to increase funding options in anticipation of future expansion of our business, we will change (i) the total number of shares authorized to be issued from the current 1,175 million shares to 1,675 million shares, and (ii) with respect to the total number of class shares authorized to be issued, the number of common shares from the current 1 billion shares to 1.5 billion shares, respectively.

(2) As a result of the 'Act on Partial Amendments to the Industrial Competitiveness Enhancement Act, etc.' that came into effect as of June 16, 2021 (Law No. 70, 2021, hereinafter referred to as the 'Amended Industrial Competitiveness Act'), listed companies are now permitted to convene the 'General Meeting of Shareholders without a designated location' (so-called 'virtual-only General Meeting of Shareholders') by providing to such effect in the Articles of Incorporation under certain conditions. In conjunction with such amendment, we will change Article 13 of our Articles of Incorporation.

Subject to the condition (i) that the applicable resolution for this change of the Articles of Incorporation is approved in the Ordinary General Meeting of Shareholders, and (ii) further that we obtain the confirmation by the Minister of Economy, Trade and Industry and the Minister of Justice with respect to the satisfaction of the requirements provided for in the Order of the Ministry of Economy, Trade and Industry and the Order of the Ministry of Justice as a case in which the virtual-only General Meeting of Shareholders to be convened by us contributes to the enhancement of industrial competitiveness with due regard to the procurement of the interests of shareholders pursuant to the applicable provisions of the Amended Industrial Competitiveness Act (hereinafter referred to as the 'Confirmation'), this change of the Articles of Incorporation will come into effect as of the day when the Confirmation is duly obtained.

(3) As the amendment provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the 'Act on Partial Amendments to the Companies Act' (Law No. 70, 2019) is going to come into effect on September 1, 2022, the System of Electronic Provision of Materials for General Meeting of Shareholders will be introduced. Consequently, we will change the Articles of Incorporation as follows:

(a) We will newly add the proposed Article 15, Paragraph 1 because we will have the obligations to provide in the Articles of Incorporation to the effect that we will provide the materials for General Meeting of Shareholders electronically regarding the information that constitutes the reference documents, etc. for the General Meeting of Shareholders.

- (b) We will newly add the proposed Article 15, Paragraph 2 to allow us to restrict the scope of items to be set forth in the documents to be issued to shareholders who requested the issue of documents for items to be provided electronically with respect to the information that constitutes the reference documents, etc. for the General Meeting of Shareholders.
- (c) We will delete the provisions of Article 15 of the current Articles of Incorporation because, in conjunction with the introduction of the System of Electronic Provision of reference documents for the General Meeting of Shareholders, such provisions are no longer necessary.
- (d) We will newly add supplementary provisions regarding the effect of the above changes in the Articles of Incorporation. These supplementary provisions will be deleted after elapse of certain period of time.

2. Detail of Changes of Articles of Incorporation

The changes are as follows:

(Changes are underlined.)

Current Articles of Incorporation	Proposed Changes
Articles 1 through 5 (Omitted)	Articles 1 through 5 (No change)
<p>ARTICLE 6 (Total Number of Shares and Total Number of Class Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>one billion one hundred seventy-five million (1,175,000,000)</u>, and the total number of class shares authorized to be issued by the Company shall be <u>one billion (1,000,000,000)</u> common shares, and one hundred seventy-five million (175,000,000) Class A Preferred Shares.</p>	<p>ARTICLE 6 (Total Number of Shares and Total Number of Class Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>one billion six hundred seventy-five million (1,675,000,000)</u>, and the total number of class shares authorized to be issued by the Company shall be <u>one billion five hundred million (1,500,000,000)</u> common shares, and one hundred seventy-five million (175,000,000) Class A Preferred Shares.</p>
Articles 7 through 12 (Omitted)	Articles 7 through 12 (No change)
ARTICLE 13 (Venue)	ARTICLE 13 (Venue)
A General Meeting of Shareholders of the Company shall be held in Yokohama.	A General Meeting of Shareholders of the Company shall be held in Yokohama; <u>provided, however, that the above shall not apply if the</u>

Current Articles of Incorporation	Proposed Changes
<p data-bbox="304 600 539 629">Article 14 (Omitted)</p> <p data-bbox="304 696 911 819"><u>ARTICLE 15 (Disclosure via the Internet and Deemed Provision of Reference Documents, etc. for the General Meeting of Shareholders.)</u></p> <p data-bbox="304 887 911 1346"><u>In convening a General Meeting of Shareholders, the Company may disclose information on items that are entered or indicated in reference documents for the General Meeting of Shareholders, business report, accounting papers and consolidated accounting papers through a method utilizing the Internet as specified by an ordinance of the Ministry of Justice, and be regarded as having provided the information to Shareholders.</u></p> <p data-bbox="304 1413 507 1442">(Newly provided)</p>	<p data-bbox="936 264 1525 387"><u>General Meeting of Shareholders is convened as the one without a designated location pursuant to the following Paragraph.</u></p> <p data-bbox="936 409 1525 533"><u>The Company may convene the General Meeting of Shareholders of the Company as the one without a designated location.</u></p> <p data-bbox="936 600 1206 629"><u>Article 14 (No change)</u></p> <p data-bbox="936 696 1046 725">(Deleted)</p> <p data-bbox="936 1413 1525 1491"><u>ARTICLE 15 (System of Electronic Provision of Materials)</u></p> <p data-bbox="936 1559 1525 1827"><u>In convening a General Meeting of Shareholders, the Company shall adopt the system of Electronic Provision of Materials with respect to the information that constitutes the reference documents, etc. for the General Meeting of Shareholders.</u></p> <p data-bbox="936 1850 1525 2018"><u>With respect to all or some of the items that are covered by the system of Electronic Provision of Materials and are prescribed by the applicable Order of the Ministry of Justice, the Company may</u></p>



Current Articles of Incorporation	Proposed Changes
<p>Articles 16 through 35 (Omitted)</p> <p>Supplementary Provisions 1. through 2. (Omitted)</p> <p>(New provision)</p>	<p><u>elect not to provide such items in the documents to be issued to the shareholders who requested the issue of documents no later than the base day of Ordinary General Meeting of Shareholders.</u></p> <p>Articles 16 through 35 (No change)</p> <p>Supplementary Provisions 1. through 2. (No change)</p> <p><u>(Transitional Measures concerning Electronic Provision of Materials)</u></p> <p>3. <u>The deletion of Article 15 (Disclosure via the Internet and Deemed Provision of Reference Documents, etc. for the General Meeting of Shareholders) of the current Articles of Incorporation and the new addition of Article 15 (System of Electronic Provision of Materials) of the proposed draft shall come into effect on the date on which the amendment provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act on Partial Amendments to the Companies Act (Law No. 70, 2019) come into effect (September 1, 2022, hereinafter referred to as the 'Effective Day').</u></p> <p>4. <u>Notwithstanding the foregoing provisions, Article 15 (Disclosure via the Internet and Deemed Provision of Reference Documents, etc. for the General Meeting of Shareholders) of the current Articles of Incorporation shall still remain in effect with respect to the General Meeting of Shareholders that is scheduled to be convened on a day within six months from the Effective Day.</u></p>

Current Articles of Incorporation	Proposed Changes
	<p>5. <u>Sections 3 through 5 of these Supplementary Provisions shall be deleted on (i) the day on which six months have elapsed from the Effective Day, or (ii) the day on which three months have elapsed from the day of the General Meeting of Shareholders referred to in the preceding Paragraph, whichever comes later.</u></p>

**Proposal 2: Appointment of seven Directors who are not Audit and Supervisory Committee Members**

The term of all eight Directors who are not Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders.

Therefore, in order to make strategic and agile decisions at the Board of Directors, the Company proposes to reduce the number of Directors by one, and to elect seven Directors who are not Audit and Supervisory Committee Members.

This Proposal was deliberated in the Audit and Supervisory Committee and obtained the opinion that all the nominees are qualified.

The table below lists the nominees for those positions.

[List of nominees]

Nomination No.	Name		Positions and responsibilities within the Company	Number of years in office as Director (at the closing of this General Meeting of Shareholders)
1	Masakazu Sakakida	Reelection	Representative Director, Chairman of the Board, President & CEO, CSO and CWO	1 year
2	Koji Tarutani	Reelection	Representative Director, Executive Vice President, CFO and CCO, Head of Finance & Accounting, Legal & General Affairs, Division Director of Finance & Accounting Division	3 years
3	Masao Ishikawa	Reelection	Director	1 year
4	Ryo Matsukawa	Reelection Outside Director Independent Officer	Director	1 year
5	Fuminori Hasegawa	New nominee	Senior Executive Vice President, Head of Strategy & Risk Integration, HR & DX, Division Director of Strategy & Risk Integration Division	—
6	Koji Ota	New nominee		—
7	Yutaka Kunigo	New nominee Outside Director Independent Officer		—

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
1	Masakazu Sakakida (November 11, 1958)	<p>April 1981: Joined Mitsubishi Corporation (Heavy Machinery Dept.)</p> <p>February 2001: Mitsubishi International Corporation, New York, U.S.A.</p> <p>April 2006: General Manager, Plant &amp; Heavy Machinery Unit, Plant &amp; Industrial Machinery Business Division of Mitsubishi Corporation</p> <p>April 2012: General Manager for Group Strategy Planning, Machinery Group CEO Office, and Group CIO, Machinery Group of Mitsubishi Corporation</p> <p>April 2013: Senior Vice President, Chairman &amp; Managing Director, Mitsubishi Corporation India Private Ltd., and Deputy Regional CEO, Asia &amp; Oceania (Southwest Asia) (New Delhi)</p> <p>April 2017: Executive Vice President, Corporate Functional Officer, Chief Compliance Officer and Officer, Emergency Crisis Management Headquarters of Mitsubishi Corporation</p> <p>June 2017: Representative Director, Executive Vice President, Corporate Functional Officer, Chief Compliance Officer and Officer, Emergency Crisis Management Headquarters of Mitsubishi Corporation</p> <p>April 2021: Director of Mitsubishi Corporation</p> <p>June 2021: Representative Director, Chairman of the Board, CEO and CWO of the Company</p> <p>April 2022: Representative Director, Chairman of the Board, President &amp; CEO, CSO and CWO of the Company (current position)</p>	<p>Common shares: (number of shares to be issued based on stock compensation) 19,561 (17,084)</p>
<p>&lt;Reason for nomination&gt;</p> <p>Mr. Masakazu Sakakida has served in roles including General Manager, Plant &amp; Heavy Machinery Unit, Plant &amp; Industrial Machinery Business Division of Mitsubishi Corporation, General Manager for Group Strategy Planning, Machinery Group CEO Office, and Corporate Functional Officer, and is well versed in project management. The Company has determined that he is qualified to contribute to the growth of the Company and improvement of its corporate value by leveraging his abundant overseas knowledge and extensive track record in management, and has renominated him as a candidate for Director.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
2	Koji Tarutani (May 13, 1962)	<p>April 1986: Joined The Mitsubishi Bank, Ltd.</p> <p>December 2012: General Manager of Corporate Business Risk Management Division and General Manger (Special Assignment) of Global Compliance Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2014: General Manager of Credit Examination Office of Internal Audit Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>April 2016: General Manager (Special Assignment) of Internal Audit Division of Mitsubishi UFJ Financial Group and General Manager of Credit Examination Office of Internal Audit Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>September 2016: General Manager of Legal Division of Mitsubishi UFJ Financial Group and General Manager of Legal Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2019: Senior Advisor of the Company</p> <p>June 2019: Representative Director, Executive Vice President &amp; CFO of the Company</p> <p>July 2019: Representative Director, Executive Vice President, CFO and Division Director of Finance &amp; Accounting Division of the Company</p> <p>April 2022: Representative Director, Executive Vice President, CFO and CCO, Head of Finance &amp; Accounting, Legal &amp; General Affairs, and Division Director of Finance &amp; Accounting Division of the Company (current position)</p>	<p>Common shares: (number of shares to be issued based on stock compensation) 41,089 (8,755)</p>
<p>&lt;Reason for nomination&gt;</p> <p>Mr. Koji Tarutani has served as General Manager (Special Assignment) of Internal Audit Division and General Manager of Legal Division of Mitsubishi UFJ Financial Group, and General Manager of Credit Examination Office of Internal Audit Division and General Manager of Legal Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Company has determined that by leveraging his extensive knowledge in finance and risk management as a Director, he is qualified to contribute to the growth of the Company and improvement of its corporate value, and has renominated him as a candidate for Director.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
3	Masao Ishikawa (August 21, 1956)	April 1980: Joined the Company April 2011: General Manager, Gas LNG Process Engineering Department of the Company April 2013: Vice President and Deputy Division Director, Technology & Engineering Division of the Company April 2015: Senior Vice President and Division Director, Technology & Engineering Division of the Company April 2020: Executive Vice President and Division Director, Technology & Engineering Division of the Company April 2021: Senior Advisor of the Company June 2021: Director of the Company (current position)	Common shares: 68,945
<p>&lt;Reason for nomination&gt;</p> <p>Mr. Masao Ishikawa has served as General Manager, Gas LNG Process Engineering Department and Division Director of Technology &amp; Engineering Division, and was appointed as Senior Vice President of the Company in April 2015 and Managing Executive Officer of the Company in April 2020, where he has overseen a range of projects as the head of the Technology &amp; Engineering Division. The Company has determined that by leveraging his expertise and global experience as a Director, he is qualified to contribute to the growth of the Company and improvement of its corporate value, and has renominated him as a candidate for Director.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
4	Ryo Matsukawa (February 23, 1955)	<p>April 1979: Joined Tokyo Shibaura Electric Co., Ltd (currently Toshiba Corporation)</p> <p>April 2007: General Manager, Technology Management Div., Toshiba Corporation Power Systems Company</p> <p>January 2011: General Manager, Fuchu Complex, Toshiba Corporation</p> <p>June 2013: Executive Quality Leader, Toshiba Corporation Power Systems Company</p> <p>June 2014: Representative Director, President and Chief Executive Officer, Toshiba Plant Systems &amp; Services Corporation</p> <p>June 2021: Outside Director of the Company (current position)</p>	Common shares: 10,000
<p>&lt;Reasons for appointment and role expectations&gt;  The Company expects that Mr. Ryo Matsukawa will draw upon his wealth of knowledge in the energy industry and his management experience of having served as President and Chief Executive Officer of Toshiba Plant Systems &amp; Services Corporation to contribute to the supervision of the management of the Company from objective and expert perspectives, and has renominated him as a candidate for Outside Director.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
*5	Fuminori Hasegawa (March 26, 1960)	<p>April 1982: Joined Mitsubishi Corporation</p> <p>June 1998: Operation Management Dept. of the Company</p> <p>March 2008: Group Controller, Energy Business Group of Mitsubishi Corporation</p> <p>April 2012: General Manager, Energy Business Group CEO Office of Mitsubishi Corporation</p> <p>April 2013: Division COO, Petroleum Business Division, Energy Business Group of Mitsubishi Corporation</p> <p>April 2014: Senior Vice President, Division COO, Petroleum Business Division, Energy Business Group of Mitsubishi Corporation</p> <p>October 2015: Senior Vice President, Division COO, Petroleum Business Division, Energy Business Group of Mitsubishi Corporation, and Chairman &amp; Director of Mitsubishi Corporation Energy Co., Ltd.</p> <p>April 2017: Senior Vice President, Division COO, Energy Resources Division(Asia Pacific), Energy Business Group of Mitsubishi Corporation</p> <p>April 2019: Executive Vice President of the Company</p> <p>July 2019: Executive Vice President, CRO and Division Director, Strategy &amp; Risk Integration Division of the Company</p> <p>April 2021: Executive Vice President, and Division Director of Strategy &amp; Risk Integration Division of the Company</p> <p>April 2022: Senior Executive Vice President, Head of Strategy &amp; Risk Integration, HR &amp; DX, and Division Director of Strategy &amp; Risk Integration Division of the Company (current position)</p>	<p>Common shares: (number of shares to be issued based on stock compensation) 44,876 (8,755)</p>
<p>&lt;Reason for nomination&gt; Mr. Fuminori Hasegawa has served in roles including Executive Officer, Senior General Manager, Petroleum Business Unit, and Senior General Manager, Energy Business Unit of Mitsubishi Corporation, and has abundant knowledge in energy segment. After being appointed as the Executive Vice President of the Company in April 2019, he has been well versed in the business of the Company by fulfilling his responsibility for the overall control of the risk management as the Division Director of Strategy &amp; Risk Integration Division as the Company executed its Revitalization Plan. The Company has determined that by leveraging his expertise and experience, he is qualified to contribute to the growth of the Company and improvement of its corporate value, and has nominated him as a candidate for Director.</p>			



No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
*6	Koji Ota (February 1, 1965)	<p>April 1989: Joined Mitsubishi Corporation</p> <p>June 2012: General Manager, Smart Community Business Integration Unit, Environment &amp; Infrastructure Business Division of Mitsubishi Corporation</p> <p>April 2013: General Manager, Environment Energy Business Unit, Environment &amp; Infrastructure Business Division of Mitsubishi Corporation</p> <p>April 2015: Director, Lithium Energy Japan</p> <p>April 2018: Executive Vice President, Lithium Energy Japan</p> <p>April 2019: Senior Vice President, Division COO, Plant Engineering Division of Mitsubishi Corporation</p> <p>April 2022: Executive Vice Presidents, Group CEO, Industrial Infrastructure Group, Division COO, Plant Engineering Div. of Mitsubishi Corporation (current position)</p>	Common shares: 0
<p>&lt;Reason for nomination&gt;</p> <p>Mr. Koji Ota has served as General Manager, Environment Energy Business, Environment &amp; Infrastructure Division of Mitsubishi Corporation and Director &amp; Executive Vice President, Lithium Energy Japan. He is versed in wide range of businesses including environment, infrastructure and new energy. Currently, he is serving as Executive Vice Presidents, Group CEO, Industrial Infrastructure Group, Division COO, Plant Engineering Div. of Mitsubishi Corporation. The Company has determined that by leveraging his abundant knowledge and experience regarding management in general and businesses of the Company, he is qualified to contribute to the growth of the Company and improvement of its corporate value, and has renominated him as a candidate for Director.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
*7	Yutaka Kunigo (November 17, 1954)	<p>April 1977: Joined Tokyo Gas Co., Ltd.</p> <p>April 2010: Managing Executive Officer, Chief Executive of Resources Business Division of Tokyo Gas Co., Ltd.</p> <p>June 2013: Director, Managing Executive Officer, Chief Executive of Energy Production Division of Tokyo Gas Co., Ltd.</p> <p>April 2014: Representative Director, Vice President, Executive Officer, Chief Executive of Energy Solution Division of Tokyo Gas Co., Ltd.</p> <p>April 2015: Representative Director, Vice President, Executive Officer responsible for Power Business Planning Department, Business Renovation Project Department, and Sales Innovation Project Department of Tokyo Gas Co., Ltd.</p> <p>April 2016: Representative Director, Vice President, Executive Officer responsible for Power Business Control Department, Chief Executive of Energy Production Division responsible for Power Business Planning Department of Tokyo Gas Co., Ltd.</p> <p>April 2017: Director and Chairman, Tokyo Gas Engineering Solutions Corporation</p> <p>June 2020: Outside Director, Nippon Paper Industries Co., Ltd. (current position)</p> <p>March 2022: Outside Director, Ise Chemicals Corporation (current position)</p>	Common shares: 10,000
<p>&lt;Reason for appointment and outline of expected roles&gt;</p> <p>Mr. Yutaka Kunigo has served as Chief Executive of Energy Solution Division and Power Business Control Department as Representative Director, Vice President, Executive Officer of Tokyo Gas Co., Ltd. He also served as Director and Chairman, Tokyo Gas Engineering Solutions Corporation and has abundant knowledge and experience in energy industries and corporate management. The Company has determined that by leveraging his experience and knowledge, he can supervise the management of the Company from objective and expert perspectives as Outside Director, and has nominated him as a candidate for Outside Director.</p>			

- (Notes)
1. Asterisks (\*) indicate new nominees for the position of Director who are not Audit and Supervisory Committee members.
  2. No conflict of interest exists between the Company and the above candidates. The Company will carefully handle instances of conflict in individual transactions, should such conflicts occur in the future.
  - 3 Mr. Ryo Matsukawa and Mr. Yutaka Kunigo are candidates for Outside Directors.
  - 4 Number of shares of the Company held by each candidate includes ownership interest held through the Directors Holding Association (less than one share being rounded down).
  - 5 The company has registered Mr. Ryo Matsukawa as an independent officer based on the provisions stipulated by the Tokyo Stock Exchange, Inc. and the Independence Standards for Outside Directors set forth by the Company (refer to page 33). The company intends to continue his designation as an independent officer in the event that his reelection is approved.
  6. The Company will register Mr. Yutaka Kunigo as an independent officer in the event that his election is approved based on the provisions stipulated by the Tokyo Stock Exchange, Inc. and the Independence Standards for Outside Directors set forth by the Company (refer to page 33). There is no business relationship between the Company and Nippon Paper Industries Co., Ltd. and Ise Chemicals Corporation, where he serves as a director.
  7. Mr. Ryo Matsukawa currently serves as an Outside Director of the Company, and his term of office as Outside Director will be 1 year at the closing of this Ordinary General Meeting of Shareholders.
  8. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Mr. Masao Ishikawa and Mr. Ryo Matsukawa to limit the liability for damages as provided in Article 423, Paragraph 1 of the Companies Act. The maximum liability amount under these contracts is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Act, and in the event that their reelection is approved, the Company intends to continue these contracts with them.
  9. In the event that Mr. Koji Ota and Mr. Yutaka Kunigo are elected and both become non-executive directors, the Company intends to conclude contracts with them in accordance with Article 427, Paragraph 1 of the Companies Act that would limit the liability for damages stipulated in Article 423, Paragraph 1 of the Act, to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Act.
  - 10 The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers loss or damage incurred by the insured, including the Company's Directors, in the event that they are held liable for damages arising out of their duties (except for those that fall under exemptions prescribed in the insurance policy). In the event that the candidates are elected as Director and assumes office, they will be insured under the insurance policy. Further, the insurance policy is expected to be renewed with the same content at the next renewal.
  11. CEO: Chief Executive Officer  
CIO: Chief Information Officer  
CWO: Chief Wellness Officer  
CSO: Chief Sustainability Officer  
CFO: Chief Financial Officer  
CCO: Chief Compliance Officer  
CRO: Chief Risk Management Officer

**Proposal 3: Appointment of two Directors who are Audit and Supervisory Committee Members**

The term of Directors Ms. Mika Narahashi and Mr. Hisashi Ito who are Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders. Therefore, the Company proposes to reelect two Directors who are Audit and Supervisory Committee Members. The Audit and Supervisory Committee has agreed to the submission of this proposal. The table below lists the nominees for those positions.

[List of nominees]

Nomination No.	Name		Positions and responsibilities within the Company	Number of years in office as Directors who are Audit and Supervisory Committee Members (at the closing of this General Meeting of Shareholders)
1	Mika Narahashi	Reelection Outside Director Independent Officer	Director (Audit and Supervisory Committee Member)	4 years
2	Hisashi Ito	Reelection Outside Director Independent Officer	Director (Audit and Supervisory Committee Member)	2 years

No.	Name (date of birth)	Brief career history, positions, responsibilities and significant concurrent positions	Class and number of shares of the Company held
1	Mika Narahashi (June 3, 1972)	<p>October 2000: Registered as a lawyer (Tokyo Bar Association)</p> <p>August 2003: Joined Anderson Mori &amp; Tomotsune</p> <p>January 2007: Joined Investment Banking Division of Deutsche Securities Inc.</p> <p>August 2009: Joined American Life Insurance Company (currently MetLife, Inc.) Senior Manager of Legal Affairs Department of American Life Insurance Company</p> <p>January 2015: Joined American Home Assurance Company, Ltd. Head of Legal Affairs Office of American Home Assurance Company, Ltd.</p> <p>April 2017: Senior Partner of TH Law Office (current position)</p> <p>June 2018: Outside Director of the Company (Audit and Supervisory Committee Member) (current position)</p>	Common shares: 0
<p>&lt;Reason for appointment and outline of expected roles&gt;</p> <p>Although Ms. Mika Narahashi has not been directly involved in corporate management other than by way of her duty as an outside officer, she has experience in corporate law in addition to expert knowledge and experience as a lawyer. Expecting that she will contribute to the strengthening of our legal and compliance resources and governance management by auditing and supervising our management team from objective perspectives with her high-level expertise, the Company has determined to renominate her as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (date of birth)	Brief career history, positions, responsibilities and significant concurrent positions	Class and number of shares of the Company held
2	Hisashi Ito (April 8, 1959)	<p>April 1983: Joined The Mitsubishi Trust and Banking Corporation</p> <p>August 2005: General Manager, Money Market Activities Division, Mitsubishi Trust and Banking Corporation</p> <p>May 2010: General Manager. London Branch, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2010: Executive Officer, General Manager. London Branch, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2012: Managing Executive Officer, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2013: Managing Director, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2015: Senior Managing Director (Representative Director) and CIO, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2016: Representative Director, Senior Managing Executive Officer and CIO, Mitsubishi UFJ Trust and Banking Corporation</p> <p>June 2017: Reprehensive Director, President, The Master Trust Bank of Japan, Ltd.</p> <p>April 2019: Reprehensive Director and Chairman, Mitsubishi UFJ Trust Systems Co., Ltd. (current position)</p> <p>June 2020: Outside Director of the Company (Audit and Supervisory Committee Member) (current position)</p>	Common shares: 0
<p>&lt;Reason for appointment and outline of expected roles&gt;</p> <p>After serving as General Manager. London Branch and Director and Senior Managing Executive Officer and CIO of Mitsubishi UFJ Trust and Banking Corporation, Mr. Hisashi Ito has served as Reprehensive Director, President, The Master Trust Bank of Japan, Ltd. and Reprehensive Director and Chairman, Mitsubishi UFJ Trust Systems Co., Ltd. Accordingly, expecting that he will contribute to the audit and supervision of our management team from objective and multiple perspectives with his wealth of overseas experience and corporate management experience, the Company has determined to renominate him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

- (Notes)
1. No conflict of interest exists between the Company and the above candidates. The Company will carefully handle instances of conflict in individual transactions, should such conflicts occur in the future.
  2. Ms. Mika Narahashi and Mr. Hlsashi Ito are candidates for Outside Directors who are Audit and Supervisory Committee Members.
  3. The company has registered Ms. Mika Narahashi and Mr. Hlsashi Ito as independent officers based on the provisions stipulated by the Tokyo Stock Exchange, Inc. and the Independence Standards for Outside Directors set forth by the Company (refer to page 33). The company intends to continue their designation as independent officers in the event that their reelection is approved. There is no business relationship between the Company and TH Law Office, where Ms. Mika Narahashi serves as a senior partner. There is no business relationship between the Company and Mitsubishi UFJ Trust Systems Co., Ltd., where he serves as a representative director and chairman.
  4. Ms. Mika Narahashi and Mr. Hlsashi Ito currently serve as Outside Directors of the Company, and the term of office of Ms. Mika Narahashi as Outside Director will be 4 years at the closing of this Ordinary General Meeting of Shareholders, and that of Mr. Hlsashi Ito as Outside Director will be 2 years at the closing of this Ordinary General Meeting of Shareholders.
  5. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Ms. Mika Narahashi and Mr. Hlsashi Ito to limit the liability for damages as provided in Article 423, Paragraph 1 of the Companies Act. The maximum liability amount under these contracts is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Act, and in the event that their reelection is approved, the Company intends to continue these contracts with them.
  6. The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers loss or damage incurred by the insured, including the Company's Directors, in the event that they are held liable for damages arising out of their duties (except for those that fall under exemptions prescribed in the insurance policy). In the event that the candidates are elected as Directors and assume office, they will be insured under the insurance policy.  
Further, the insurance policy is expected to be renewed with the same content at the next renewal.
  7. CIO: Chief Information Officer

**Proposal 4: Appointment of one Director who is a Substitute Audit and Supervisory Committee Member**

The Company proposes to elect one Director who is a substitute Audit and Supervisory Committee Members just in case the number of Audit and Supervisory Committee Members falls below the number mandated by the applicable laws and regulations. The Audit and Supervisory Committee has agreed to the submission of this proposal. The table below lists the nominee for this position.

Name (date of birth)	Brief career history, positions, responsibilities and significant concurrent positions	Class and number of shares of the Company held
Jun Takeuchi (October 13, 1961)	April 1989: Registered as a lawyer (Daini Tokyo Bar Association). Joined Ishii Law Office April 1999: Partner, Ishii Law Office (current position) June 2009: Auditor, Honda Tsushin Kogyo Co., Ltd.	Common shares: 0
<p>&lt;Reason for appointment and outline of expected roles&gt;            Although Mr. Jun Takeuchi has not been directly involved in corporate management, we determined that he can properly fulfill the duty as an Outside Auditor who is an Audit and Supervisory Committee Member by leveraging his expert knowledge and experience regarding corporate law as a lawyer, and renominate him as a candidate for Outside Director who is a substitute Audit and Supervisory Committee Member.</p>		

- (Notes)
1. No conflict of interest exists between the Company and the above candidate.
  2. Mr. Jun Takeuchi is a candidate for Outside Director who is a substitute Audit and Supervisory Committee Member.
  3. Mr. Jun Takeuchi satisfies the Independence Standards for Outside Directors set forth by the Company (refer to page 33). There is no business relationship between the Company and Ishii Law Office, where Mr. Jun Takeuchi serves as a partner.
  4. In the event that Mr. Jun Takeuchi is elected and becomes an Outside Director who is a Audit and Supervisory Committee Member, the Company intends to conclude a contract with him in accordance with Article 427, Paragraph 1 of the Companies Act that would limit the liability for damages stipulated in Article 423, Paragraph 1 of the Act, to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Act.
  5. The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers loss or damage incurred by the insured, including the Company's Directors, in the event that they are held liable for damages arising out of their duties (except for those that fall under exemptions prescribed in the insurance policy). In the event that Mr. Jun Takeuchi becomes an Outside Director who is a Audit and Supervisory Committee Member, he will be insured under the insurance policy.



## [Reference] Independence Standards

To achieve appropriate decision making and management oversight by the Board of Directors from a variety of perspectives, the Company appoints Outside Directors from among highly insightful persons who possess objective and professional perspectives (persons who fulfill the requirements set forth in Article 2, Item 15 of the Companies Act). The Company bases the independence of Outside Directors on the factors determining independence set forth by Tokyo Stock Exchange, Inc. and deems an Outside Director to be independent if none of the following items are applicable.

### 1. Major Client or Supplier

- (1) A party for whom the Company is a major client or supplier (Note 1) or an executive thereof
- (2) A party that is the Company's major client or supplier (Note 2) or an executive thereof

### 2. Experts

Consultants, accountants, lawyers and persons affiliated with such organizations who receive annual compensation of 10 million yen or more in cash or other assets from the Company, other than compensation for directors and audit & supervisory board members

### 3. Major Shareholders

Major shareholders of the Company (a party holding 10% or more direct or indirect voting rights) or an executive thereof

### 4. Donation Recipients

Recipients to whom the Company donates in excess of an annual 10 million yen or an executive thereof

### 5. Historical Requirements

A party to whom any of 1. to 4. above applies in the past 10 years

### 6. Close Relatives

Spouse or relative within second degree of kinship of the following persons:

- (1) A party to whom any of 1. to 5. above applies
- (2) A Director, Executive Officer or other core employee of the Company or its subsidiary (Note 3)

7. Any party other than the above in special circumstances that do not allow said party to fulfill duties as an independent Director, including the existence of conflict of interest with the Company

The Company's Board of Directors will make efforts to nominate as candidates for the position of Independent Director persons who can be expected to contribute to frank, lively and constructive deliberations at the Board of Directors in accordance with these standards.

- (Notes) 1. "A party for whom the Company is a major client or supplier" refers to a party who received payment equivalent to 2% of said party's annual consolidated net sales or payment of 100 million yen or more, whichever is the higher of the two, in the most recent fiscal year.
2. "A party that is the Company's major client or supplier" refers to a party whose transactions with the Company were equivalent to 2% or more of the Company's annual consolidated net sales in the most recent fiscal year, or a party who provided loans to the Company equivalent to 2% or more of the Company's consolidated total assets in the most recent fiscal year.
3. "Core employee" refers to Division Director or superior.

Reference: Skills and experience of directors and audit and supervisory committee members after this Ordinary General Meeting of Shareholders and Board of Directors meeting.

Name	Position and title after this Ordinary General Meeting of Shareholders and Board of Directors meeting	Gender	Skills and experience				
			Management	Finance and accounting	Legal and compliance	Overseas experience	Project experience, technical expertise
Masakazu Sakakida	Representative Director, Chairman of the Board, President & CEO, CSO and CWO	Male	✓		✓	✓	✓
Fuminori Hasegawa	Representative Director, Senior Executive Vice President	Male	✓	✓		✓	✓
Koji Tarutani	Representative Director, Executive Vice President, CFO and CCO	Male	✓	✓	✓	✓	
Masao Ishikawa	Director	Male				✓	✓
Koji Ota	Director	Male	✓			✓	✓
Ryo Matsukawa	Outside Director	Male	✓		✓		✓
Yutaka Kunigo	Outside Director	Male	✓				✓
Shingo Torii	Director (Full-Time Audit and Supervisory Committee Member)	Male		✓	✓		
Mika Narahashi	Outside Director (Director who is Audit and Supervisory Committee Member)	Female			✓		
Hisashi Ito	Outside Director (Director who is Audit and Supervisory Committee Member)	Male	✓	✓		✓	✓

**Reference Material on  
General Meeting of Class Shareholders Relating to Common Shares**

**Proposal and Reference Material**

**Proposal: Partial amendments to the Articles of Incorporation**

1. Reason for proposal

This reason is identical to the reason (1) for Proposal 1 “Partial amendments to the Articles of Incorporation” set forth in the reference material for the 94th Ordinary General Meeting of Shareholders. In order to increase funding options in anticipation of future expansion of our business, we will change (i) the total number of shares authorized to be issued from the current 1,175 million shares to 1,675 million shares, and (ii) with respect to the total number of class shares authorized to be issued, the number of common shares from the current 1 billion shares to 1.5 billion shares, respectively.

2. Detail of Changes

The changes are as follows:

(Changes are underlined.)

Current Articles of Incorporation	Proposed Changes
<p>ARTICLE 6 (Total Number of Shares and Total Number of Class Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>one billion one hundred seventy-five million (1,175,000,000)</u>, and the total number of class shares authorized to be issued by the Company shall be <u>one billion (1,000,000,000)</u> common shares, and one hundred seventy-five million (175,000,000) Class A Preferred Shares.</p>	<p>ARTICLE 6 (Total Number of Shares and Total Number of Class Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>one billion six hundred seventy-five million (1,675,000,000)</u>, and the total number of class shares authorized to be issued by the Company shall be <u>one billion five hundred million (1,500,000,000)</u> common shares, and one hundred seventy-five million (175,000,000) Class A Preferred Shares.</p>