

**Disclaimer**

This document is an unofficial English translation of the original Japanese version, which is issued for reference purposes only. In case of any discrepancy between the English version and the Japanese, the latter shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities Code: 1893

June 8, 2022

**To Those Shareholders with Voting Rights**

Takuzo Shimizu  
President, Chief Executive Officer and  
Representative Director  
Penta-Ocean Construction Co., Ltd.  
2-8 Koraku 2-chome, Bunkyo-ku, Tokyo, Japan

**NOTICE OF CONVOCATION OF  
THE 72ND ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We are pleased to inform that the 72nd Ordinary General Meeting of Shareholders of the Penta-Ocean Construction Co., Ltd. (hereinafter referred to as “Company”) will be held as described below.

**Please note that you can exercise your voting rights either in writing (by mail) or electronic media (via the Internet, etc.). Please review the Reference Documents for the Ordinary General Meeting of Shareholders contained herein and exercise your voting rights in the manner described hereinafter no later than 5:00 p.m., Japan Standard Time (JST) on Thursday, June 23, 2022.**

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m., JST  
(The reception will begin at 9:00 a.m.)
- 2. Venue:** Conference Room, 11th Floor at the Head Office of the Company  
2-8 Koraku 2-chome, Bunkyo-ku, Tokyo, Japan
- 3. Agenda of the Meeting:**  
**Matters to be reported:**
  1. The Business Report, the Consolidated Financial Statements, and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Board for the 72nd Fiscal Year (from April 1, 2021, to March 31, 2022).
  2. The Non-consolidated Financial Statements for the 72nd Fiscal Year (from April 1, 2021, to March 31, 2022).

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Retained Earnings
- Proposal No. 2:** Partial Amendments to the Articles of Incorporation
- Proposal No. 3:** Election of Ten (10) Members of the Board
- Proposal No. 4:** Election of One (1) Audit and Supervisory Board Member

- 
- ◎ Any subsequent amendments to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements (if any) will be listed on the Company’s website (<https://www.penta-ocean.co.jp/>).
  - ◎ Of the documents to be included with this notice, hereinafter referred to as “Notes to the Consolidated Financial Statements” and the “Notes to the Non-consolidated Financial Statements” are listed on the Company’s website (<https://www.penta-ocean.co.jp/>) pursuant to laws and regulations and the Articles of Incorporation, and are not included in the attached documents of this notice. Furthermore, the attached documents of this notice and the documents listed on the website above are the documents that were audited by the Audit and Supervisory Board member and the accounting auditor during preparation of the audit report and the accounting auditor’s report, respectively.

## Guidance for Exercise of Voting Rights

Voting rights for the Ordinary General Meeting of Shareholders may be exercised by either of the following methods.

### **If exercising Voting Rights by attending the General Meeting of Shareholders**

Please bring the enclosed Voting Rights Exercise Form with you and submit it to the reception desk.

### **If exercising Voting Rights in writing (Voting Rights Exercise Form)**

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it so that it will reach us by Thursday, June 23, 2022 at 5:00 p.m., JST.

Please note that if there was no indication of your vote for or against on each proposal, we will handle it as if it was presented as vote for.

### **If exercising Voting Rights via the Internet**

Please access the Company's designated Voting Rights Exercise Website (<https://soukai.mizuho-tb.co.jp/>), and enter your vote for or against the proposals by Thursday, June 23, 2022 at 5:00 p.m., JST.

## Contact Information

**If you have any inquiries, please contact the Company's Shareholder Registry Administrator, "Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd" (below).**

**(1) Inquiries regarding operation of the Voting Rights Exercise Website:**

Toll-free in Japan **0120-768-524**  
(Operating hours: 9:00 a.m. to 9:00 p.m., JST, weekdays)

**(2) For other inquiries relating to share administration:**

Toll-free in Japan **0120-288-324**  
(Operating hours: 9:00 a.m. to 5:00 p.m., JST, weekdays)

**[For institutional investors]**

We participate in the online voting platform for "institutional investors" operated by ICJ, Inc.

## Guidance for Exercise of Voting Rights via the Internet

### 1. Via “Smart Exercise”

- (1) Please scan the QR code printed on the lower right of the enclosed Voting Rights Exercise Form using your smartphone etc. to access “Smart Exercise,” then follow the instructions on the screen to input your vote. (You do not need to enter an ID/Password.)
- (2) You may only exercise your voting rights once via “Smart Exercise.” To change your vote after exercising your voting rights via “Smart Exercise,” please follow the instruction 2 below.

### 2. Via ID and Password

- (1) Please access the “Voting Rights Exercise Website” (URL below), log in to the system using the “Voting Rights Exercise Code” and “Password” printed on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to input your vote. In order to maintain security, users will be prompted to change the Password when logging in to the system for the first time.

<b>Voting Rights Exercise Website</b>	<b><a href="https://soukai.mizuho-tb.co.jp/">https://soukai.mizuho-tb.co.jp/</a></b>
---------------------------------------	--

- (2) The Password (including the Password you changed) is valid only for this Ordinary General Meeting of Shareholders. A new Password will be issued at the time of the next meeting.
- (3) The Password is the method to verify whether the person voting is a legitimate shareholder, so please handle with care. The Company will never ask shareholders to provide their Passwords.
- (4) The Password will be locked and suspended when entered incorrectly for a certain number of times. Please follow the instruction on the screen when the Password is locked.

### 3. Important Notice

- (1) You will need to exercise your voting rights by completing the process by 5:00 p.m., JST on Thursday, June 23, 2022. Your exercise at the earliest opportunity is advised.
- (2) If you exercise your voting rights both by mailing the Voting Rights Exercise Form and via the Internet, the voting right exercised through the Internet shall be deemed to be effective. If you exercise your voting rights more than once through the Internet, the Company will regard the content of the last exercise as valid.
- (3) Fees for connecting and using the Internet would be your own expense.
- (4) Although the Voting Rights Exercise Website has been tested of operation with general internet connecting devices, the system may not be available depending on the device you use and its condition.

Note: “QR code” is a registered trademark of DENSO WAVE INCORPORATED.

#### [About “Smart Exercise”]

By scanning “Voting Rights Exercise Website Log-in QR Code for Smartphones” which is printed on the enclosed Voting Rights Exercise Form, you can access the Website without entering the “Voting Rights Exercise Code” and “Password.” You can exercise the voting rights only once by this method.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Appropriation of Retained Earnings

The Company's basic policy of dividend of surplus is to increase its corporate value, in order to pay stable dividends to the shareholders on a continuing basis, by enhancing its profitability through cutting-edge technological developments and appropriate capital investments.

The Company proposes appropriation of retained earnings as follows in comprehensive consideration of business results for the fiscal year under review, capital adequacy, and future business expansion, etc.

1. Year-end Dividend
  - (1) Type of dividend property  
Cash
  - (2) Allocation of dividend property and total amount thereof  
¥23 per common stock of the Company  
¥6,573,464,239 in total
  - (3) Effective date of dividend payment  
June 27, 2022

**Proposal No. 2: Partial Amendments to the Articles of Incorporation**

1. Reasons for Amendments

(1) Repurchase of own shares

New provisions are established to enable a flexible capital policy by allowing the repurchase of the Company’s shares based on a resolution of the Board of Directors.

(2) Electronic provision of reference materials for the general meeting of shareholders

The amended provisions stipulated in the proviso to Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) is to be enforced on September 1, 2022. Accordingly, provisions will be established to provide information contained in the reference documents for the general meeting of shareholders, etc. electronically, and to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

In addition, the current provisions related to the internet disclosure and deemed provision of reference documents, etc. for the general meeting of shareholders will become unnecessary and will therefore be deleted. In line with the above amendments, supplementary provisions related to the effective date, etc. shall be established.

2. Contents of Amendments

The contents of the amendments are as follows.

(Underlined parts are amended)

Current Articles of Incorporation	Proposed amendments
<p>(Newly established)</p>	<p>(Repurchase of Company Shares)  <u>Article 7. The Company may, under Article 165, paragraph 2 of the Companies Act, repurchase its shares through market transactions, etc. based on a resolution of its Board of Directors.</u>                      (Due to the establishment of this Article 7, subsequent articles shall be renumbered)</p>
<p>(Internet Disclosure and Deemed Provision of Reference Documents, etc.)  <u>Article.14 The Company may, on convocation of general meetings of shareholders, deem that information with respect to items to be set forth or displayed in reference documents for general meetings of shareholders, business reports, financial statements and consolidated financial statements is provided for shareholders by disclosing such information through Internet in accordance with the applicable ordinance of the Ministry of Justice.</u></p>	<p>(Deleted)</p>
<p>(Newly established)</p>	<p>(Measures for Electronic Provision of Information, etc.)  <u>Article 15 The Company shall, on convocation of general meetings of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u>                      2. <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for vesting voting rights.</u></p>


Current Articles of Incorporation	Proposed amendments
(Newly established)	<p data-bbox="810 192 1129 226"><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="810 226 1437 477">1. <u>The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents, etc.) of the Articles of Incorporation before amendment and the new establishment of Article 15 (Measures for Electronic Provision of Information, etc.) of the Articles of Incorporation after amendment shall come into effect on September 1, 2022.</u></li> <li data-bbox="810 477 1437 701">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Documents, etc.) of the Articles of Incorporation before amendment shall remain in force with respect to a general meeting of shareholders to be held by February 28, 2023.</u></li> <li data-bbox="810 701 1437 853">3. <u>These supplementary provisions shall be deleted on March 1, 2023, or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></li> </ol>

### Proposal No. 3: Election of Ten (10) Members of the Board


The term of office of all nine (9) members of the board will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of a total of ten (10) members of the board, adding one (1) Outside Member of the Board to further enhance the management supervisory function.



The candidates are as follows:



Candidate No.		Name	Current positions and titles at the Company	Attendance at the board meetings during the fiscal year
1	<u>Reappointment</u>	Takuzo Shimizu	President, Chief Executive Officer and Representative Director	100% (23 meetings out of 23 meetings)
2	<u>Reappointment</u>	Kazuya Ueda	Executive Vice President, Representative Director	100% (23 meetings out of 23 meetings)
3	<u>Reappointment</u>	Tetsushi Noguchi	Senior Managing Executive Officer, Member of the Board	100% (23 meetings out of 23 meetings)
4	<u>Reappointment</u>	Hiroshi Watanabe	Senior Managing Executive Officer, Member of the Board	100% (23 meetings out of 23 meetings)
5	<u>Reappointment</u>	Tomoyuki Yamashita	Senior Managing Executive Officer, Member of the Board	100% (23 meetings out of 23 meetings)
6	<u>New appointment</u>	Osamu Hidaka	Executive Officer	—
7	<u>Reappointment</u>	Yasuhiro Kawashima	<u>Candidate for Outside Member of the Board</u> <u>Candidate for Independent Member of the Board</u>	100% (23 meetings out of 23 meetings)
8	<u>Reappointment</u>	Hidenori Takahashi	<u>Candidate for Outside Member of the Board</u> <u>Candidate for Independent Member of the Board</u>	100% (23 meetings out of 23 meetings)
9	<u>Reappointment</u>	Hokuto Nakano	<u>Candidate for Outside Member of the Board</u> <u>Candidate for Independent Member of the Board</u>	100% (18 meetings out of 18 meetings)
10	<u>New appointment</u>	Mina Sekiguchi	<u>Candidate for Outside Member of the Board</u> <u>Candidate for Independent Member of the Board</u>	—


Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
1	 <p data-bbox="320 931 507 1039">Takuzo Shimizu (June 8, 1958) <u>Reappointment</u></p>	<p data-bbox="560 286 1246 922"> April 1983    Joined the Company  April 2009    Appointed as Executive Officer, Head of Nagoya Branch  April 2012    Appointed as Managing Executive Officer, Head of Civil Engineering Sales and Marketing Divisions Group, Civil Engineering Business Unit  June 2012    Appointed as Managing Executive Officer, Member of the Board, same as above  April 2013    Appointed as Senior Managing Executive Officer, Member of the Board, same as above  April 2014    Appointed as Executive Vice President, Representative Director  June 2014    Appointed as President, Chief Executive Officer and Representative Director (to the present)  May 2016    Appointed as Chairman, Japan Dredging and Reclamation Engineering Association (to the present) </p> <ul style="list-style-type: none"> <li data-bbox="560 958 1246 1048">■ Status of important concurrent positions Chairman, Japan Dredging and Reclamation Engineering Association</li> <li data-bbox="560 1055 1246 1402">■ Reasons for selection as a candidate for Member of the Board Mr. Takuzo Shimizu has a wealth of operational experience mainly regarding civil engineering business and corporate planning of the Company. After being appointed President in June 2014, he has promoted corporate strategy with the aim of improving corporate value as top management. The Company believes that he can continue to draw on his wealth of experience and knowledge of duties in management. ■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</li> </ul>	72,500 shares





Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
2	 <p data-bbox="316 869 512 974">Kazuya Ueda (August 2, 1958) <u>Reappointment</u></p>	<p data-bbox="560 253 1246 987"> April 1983    Joined the Company  April 2011    Appointed as Executive Officer, Executive General Manager, Deputy Head of Civil Engineering Sales and Marketing Divisions Group, Civil Engineering Business Unit  April 2013    Appointed as Managing Executive Officer, same as above  April 2014    Appointed as Managing Executive Officer, Head of Civil Engineering Sales and Marketing Divisions Group, Civil Engineering Business Unit  June 2014    Appointed as Managing Executive Officer, Member of the Board, same as above  April 2015    Appointed as Senior Managing Executive Officer, Member of the Board, same as above  April 2017    Appointed as Executive Vice President, Representative Director  Executive of Civil Engineering Business Unit  Head of Civil Engineering Sales and Marketing Divisions Group, Civil Engineering Business Unit (to the present) </p> <p data-bbox="552 1021 1257 1305"> ■ Reasons for selection as a candidate for Member of the Board  Mr. Kazuya Ueda has a wealth of operational experience regarding civil engineering business, etc., of the Company. The Company believes that he can continue to draw on his ample experience and knowledge of duties in management as member of the board.  ■ Attendance at the board meetings during the fiscal year  100% (23 meetings out of 23 meetings) </p>	29,400 shares


Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
3	 Tetsushi Noguchi (September 11, 1960) <u>Reappointment</u>	<p>April 1983      Joined the Company</p> <p>April 2012      Appointed as Executive Officer, Head of Nagoya Branch</p> <p>April 2014      Appointed as Executive Officer, Executive General Manager, Deputy Head of Civil Engineering Divisions Group, Civil Engineering Business Unit</p> <p>June 2014      Appointed as Executive Officer, Member of the Board, same as above</p> <p>April 2016      Appointed as Managing Executive Officer, Member of the Board, Head of Civil Engineering Divisions Group, Civil Engineering Business Unit</p> <p>April 2018      Appointed as Senior Managing Executive Officer, Member of the Board, same as above (to the present)</p> <p>■ Reasons for selection as a candidate for Member of the Board            Mr. Tetsushi Noguchi has a wealth of operational experience regarding civil engineering business, etc., of the Company. The Company believes that he can continue to draw on his ample experience and knowledge of duties in management as member of the board.</p> <p>■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</p>	27,200 shares
4	 Hiroshi Watanabe (March 16, 1960) <u>Reappointment</u>	<p>April 1984      Joined the Company</p> <p>April 2015      Appointed as Executive Officer, Executive General Manager, Deputy Head of Building Construction Sales and Marketing Divisions Group, Building Construction Business Unit</p> <p>April 2017      Appointed as Managing Executive Officer, Head of Building Construction Sales and Marketing Divisions Group, Building Construction Business Unit</p> <p>June 2017      Appointed as Managing Executive Officer, Member of the Board, same as above</p> <p>April 2019      Appointed as Senior Managing Executive Officer, Member of the Board, same as above (to the present)</p> <p>■ Reasons for selection as a candidate for Member of the Board            Mr. Hiroshi Watanabe has a wealth of operational experience regarding the building construction business, etc., of the Company. The Company believes that he can continue to draw on his ample experience and knowledge of duties in management as member of the board.</p> <p>■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</p>	22,400 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
5	 Tomoyuki Yamashita (December 4, 1962) <u>Reappointment</u>	<p>April 1986    Joined the Company</p> <p>April 2017    Appointed as Executive Officer, General Manager, Head of Human Resources Division, Corporate Administration Divisions Group General Manager, Head of General Affairs Division</p> <p>April 2018    Appointed as Executive Officer, Head of Corporate Administration Divisions Group General Manager, Head of General Affairs Division Head of CSR Planning Office</p> <p>June 2018    Appointed as Executive Officer, Member of the Board, same as above</p> <p>April 2019    Appointed as Managing Executive Officer, Member of the Board, same as above</p> <p>April 2021    Appointed as Senior Managing Executive Officer, Member of the Board, Head of Corporate Administration Divisions Group, General Manager, Head of CSR Planning Office (to the present)</p> <p>■    Reasons for selection as a candidate for Member of the Board Mr. Tomoyuki Yamashita has a wealth of operational experience regarding the human resources and general affairs etc., of the Company. The Company believes that he can continue to draw on his ample experience and knowledge of duties in management as member of the board.</p> <p>■    Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</p>	23,500 shares
6	 Osamu Hidaka (September 21, 1964) <u>New appointment</u>	<p>April 1988    Joined the Company</p> <p>April 2017    Appointed as Executive General Manager, Deputy Head of International Civil Engineering Divisions Group, International Business Unit</p> <p>April 2020    Appointed as Executive Officer, Senior Executive General Manager, Head of International Civil Engineering Divisions Group, International Business Unit (to the present)</p> <p>■    Status of important concurrent positions Director, Koh Brothers Eco Engineering Ltd. (Equity method affiliate of the Company listed on the Catalyst of the Singapore Exchange.)</p> <p>■    Reasons for selection as a candidate for Member of the Board Mr. Osamu Hidaka has a wealth of operational experience regarding overseas business of the Company acquired through overseas assignments reaching 28 years. The Company believes that he can draw on his ample experience and knowledge of duties in management as member of the board.</p>	4,200 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
7	 <p data-bbox="284 1048 545 1120">Yasuhiro Kawashima (August 18, 1944)</p> <p data-bbox="323 1120 502 1153">Reappointment</p> <p data-bbox="363 1160 462 1193">Outside</p> <p data-bbox="339 1200 486 1234">Independent</p>	<p data-bbox="553 253 1256 342">April 1969    Joined Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism)</p> <p data-bbox="553 349 1256 409">June 1998    Appointed as Bureau Manager, Ports and Harbours Bureau</p> <p data-bbox="553 416 1256 477">June 2000    Appointed as Minister's Secretariat, Deputy Minister for Technical Affairs</p> <p data-bbox="553 483 1256 573">January 2001    Appointed as Minister's Secretariat, Deputy Minister for Technical Affairs, Ministry of Land, Infrastructure, Transport and Tourism</p> <p data-bbox="553 580 1256 701">July 2001    Appointed as President, Service Center of Port Construction Engineering (currently Specialists Center of Port and Airport Engineering)</p> <p data-bbox="553 707 1256 797">March 2004    Appointed as Adviser, Nippon Steel Corporation (currently NIPPON STEEL CORPORATION)</p> <p data-bbox="553 804 1256 893">May 2005    Appointed as Chairman, FEDERATION OF JAPAN PORTS AND AIRPORTS CONSTRUCTION ASSOCIATION</p> <p data-bbox="553 900 1256 983">May 2006    Appointed as Chairman, Japan Marine Surveys Association (to the present)</p> <p data-bbox="553 990 1256 1072">July 2006    Appointed as Adviser, Nippon Steel Engineering Co., Ltd. (currently NIPPON STEEL ENGINEERING CO., LTD.)</p> <p data-bbox="553 1079 1256 1162">June 2016    Appointed as Outside Member of the Board, the Company (to the present)</p> <p data-bbox="553 1169 1256 1229">■ Status of important concurrent position Chairman, Japan Marine Surveys Association</p> <p data-bbox="553 1236 1256 1319">■ Reasons for selection as a candidate for Outside Member of the Board and overview of expected roles Mr. Yasuhiro Kawashima has a wealth of experience at the top of organizations such as the Bureau Manager of the Ports and Harbours Bureau, and has advanced insight and specialized knowledge regarding the construction industry and port and harbor construction technology. Based on his ample experience and knowledge, the Company selected him as a candidate for Outside Member of the Board, expecting him to contribute to supervising the determination of important matters of the Company and business execution, etc.</p> <p data-bbox="553 1326 1256 1408">■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</p> <p data-bbox="553 1415 1256 1498">■ Years served as Member of the Board at the close of this General Meeting of Shareholders Six years</p>	9,000 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
8	 <p>Hidenori Takahashi (August 26, 1951) Reappointment Outside Independent</p>	<p>November 1977 Joined Musashi Audit Corporation (currently Ernst &amp; Young ShinNihon LLC)</p> <p>August 1982 Registered as a certified public accountant</p> <p>August 1991 Representative Partner, Century Audit Corporation (currently Ernst &amp; Young ShinNihon LLC)</p> <p>June 2006 Appointed as Executive Director, Shin Nihon &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>August 2008 Appointed as Senior Executive Board Member, Ernst &amp; Young ShinNihon LLC</p> <p>July 2010 Appointed as Chief Executive, The Japanese Institute of Certified Public Accountants</p> <p>August 2010 Appointed as Senior Adviser, Senior Partner, Ernst &amp; Young ShinNihon LLC</p> <p>June 2014 Resigned from Ernst &amp; Young ShinNihon LLC</p> <p>September 2014 Appointed as Executive Director, Professional Standards and Services, The Japanese Institute of Certified Public Accountants</p> <p>June 2017 Appointed as Outside Member of the Board, the Company (to the present)</p> <p>June 2018 Appointed as Outside Auditor, NIPPON VALQUA INDUSTRIES, LTD. (currently VALQUA, LTD.) (to the present)</p> <ul style="list-style-type: none"> <li>■ Status of important concurrent position Outside Auditor, VALQUA, LTD.</li> <li>■ Reasons for selection as a candidate for Outside Member of the Board and overview of expected roles Mr. Hidenori Takahashi has a wealth of experience and knowledge as a certified public accountant and as he served as a managing executive at audit corporations. Based on his ample experience and knowledge, the Company selected him as a candidate for Outside Member of the Board, expecting him to contribute to supervising the determination of important matters of the Company and business execution, etc.</li> <li>■ Special notes on the candidate for Outside Member of the Board Although Mr. Hidenori Takahashi has been engaged in the business execution of Ernst &amp; Young ShinNihon LLC, the Accounting Auditor of the Company, it has been approximately eight years since he retired from the said auditing firm in June 2014, and the Company has judged that there will be no effect on his independence.</li> <li>■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings)</li> <li>■ Years served as Member of the Board at the close of this General Meeting of Shareholders Five years</li> </ul>	9,500 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
9	 <p>Hokuto Nakano (December 22, 1959)</p> <p>Reappointment Outside Independent</p>	<p>April 1983      Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2010      Appointed as Executive Officer, General Manager of Forex Division, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>October 2015    Appointed as Managing Executive Officer, Head of East Asia, Mizuho Financial Group, Inc.</p> <p>April 2016      Appointed as Managing Executive Officer, Joint Head of Global Markets Division, Mizuho Securities Co., Ltd.</p> <p>March 2018      Appointed as Director, ASICS Corporation</p> <p>March 2020      Appointed as Managing Executive Officer, same as above</p> <p>March 2021      Appointed as Outside Director, Nippon Denko Co., Ltd. (to the present)</p> <p>June 2021      Appointed as Outside Member of the Board, the Company (to the present)</p> <p>■ Status of important concurrent position Outside Director, Nippon Denko Co., Ltd.</p> <p>■ Reasons for selection as a candidate for Outside Member of the Board and overview of expected roles Mr. Hokuto Nakano has a wealth of experience and knowledge regarding corporate management acquired in Mizuho Securities Co., Ltd., and ASICS Corporation. Based on his ample experience and knowledge, the Company selected him as a candidate for Outside Member of the Board, expecting him to contribute to supervising the determination of important matters of the Company and business execution, etc.</p> <p>■ Special notes on the candidate for Outside Member of the Board Although Mr. Hokuto Nakano served until March 2016 at Mizuho Bank, Ltd., one of the Company's major lenders, and at its parent company, Mizuho Financial Group, Inc., it has been more than six years since his retirement, and he satisfies the standards of determining independence defined by the Company. In addition, there is no transaction between the Company and ASICS Corporation at which he served until March 2020. Due to the above, the Company has judged that there will be no effect on his independence.</p> <p>■ Attendance at the board meetings during the fiscal year 100% (18 meetings out of 18 meetings)</p> <p>■ Years served as Member of the Board at the close of this General Meeting of Shareholders One year</p>	0 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
10	 <p>Mina Sekiguchi (August 15, 1963)</p> <p>New appointment</p> <p>Outside</p> <p>Independent</p>	<p>April 1993 Joined Arthur Andersen, Dallas Office</p> <p>September 1996 Transferred to Asahi &amp; Co. (Arthur Andersen Japan, currently KPMG AZSA LLC)</p> <p>July 1999 Transferred to Global Management Directions Limited (Asahi &amp; Co. subsidiary specializing in M&amp;A)</p> <p>July 2006 Transferred to KPMG FAS Co. (KPMG AZSA LLC subsidiary specializing in M&amp;A)</p> <p>July 2012 Appointed as Head of Energy &amp; Infrastructure, KPMG Japan, Managing Director, KPMG AZSA LLC</p> <p>July 2013 Appointed as Head of Energy &amp; Natural Resources, KPMG Asia Pacific Region</p> <p>September 2020 Appointed to lead Climate Change and Decarbonization Advisory Service of KPMG Sustainable Value Service (scheduled to resign on June 20, 2022)</p> <p>■ Status of important concurrent position Representative Partner, Resonancia LLC</p> <p>■ Reasons for selection as a candidate for Outside Member of the Board and overview of expected roles Ms. Mina Sekiguchi has a wealth of experience and knowledge regarding sustainability and ESG issues mainly in the areas of energy, climate change, and carbon neutrality acquired in KPMG AZSA LLC and KPMG Japan. Based on her ample experience and knowledge, the Company selected her as a candidate for Outside Member of the Board, expecting her to contribute to supervising the determination of important matters of the Company and business execution, etc.</p>	0 shares


- Notes: 1. No special interest exists between the Company and the above candidates for member of the board.
2. Mr. Yasuhiro Kawashima, Mr. Hidenori Takahashi, Mr. Hokuto Nakano, and Ms. Mina Sekiguchi are candidates for outside members of the board as defined by the Companies Act. Furthermore, if Proposal No. 3 is approved, the Company plans to conclude agreements to limit liability for damages with Mr. Yasuhiro Kawashima, Mr. Hidenori Takahashi, Mr. Hokuto Nakano, and Ms. Mina Sekiguchi based on Article 29, Paragraph 2 of the Articles of Incorporation of the Company. However, the amount of the limit for liability for damages under this agreement shall be the minimum amount for liability as defined by Article 425, Paragraph 1 of the Companies Act.
3. Mr. Yasuhiro Kawashima, Mr. Hidenori Takahashi and Mr. Hokuto Nakano are independent officers according to the standards defined by securities exchanges, and should their election be approved as proposed, the Company plans for them to be independent officers. Furthermore, should the election of Ms. Mina Sekiguchi be approved as proposed, the Company plans for her to be a new independent officer. In addition to the standards defined by securities exchanges, each person satisfies the standards of independence defined by the Company. The standards of determining independence for outside officers defined by the Company are provided on page 18.
4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance agreement compensates for damages including legal damages, litigation expenses, and other costs to be borne by the insureds.  
The candidates will be included in the insureds under the said insurance agreement. The overview of the directors' and officers' liability insurance agreement is provided on page 35 in the Japanese version of this document.

#### Proposal No. 4: Election of One (1) Audit and Supervisory Board Member

The term of office of Audit and Supervisory Board Member Kyota Shigemoto will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) audit & supervisory member.

The Audit and Supervisory Board has consented to this proposal.

The candidate is as follows:

Name (Date of birth)	Career summary and positions	Number of shares of the Company held
 <p data-bbox="167 1086 406 1153">Hisashi Takebayashi (February 25, 1959)</p> <p data-bbox="183 1153 391 1198">New appointment</p> <p data-bbox="231 1198 343 1243">Outside</p> <p data-bbox="215 1243 359 1288">Independent</p>	<p data-bbox="430 537 1244 593">April 1981      Joined The Yasuda Fire &amp; Marine Insurance Co., Ltd. (currently Sampo Japan Insurance Inc.)</p> <p data-bbox="430 593 1244 683">April 2009      Appointed as Executive Officer, General Manager, Head of Customer Service Department, Sampo Japan Insurance Inc.</p> <p data-bbox="430 683 1244 772">April 2010      Appointed as Executive Officer, General Manager, Head of Claims Administration Department, same as above</p> <p data-bbox="430 772 1244 840">April 2012      Appointed as Managing Executive Officer, same as above</p> <p data-bbox="430 840 1244 907">June 2012      Appointed as Director, Managing Executive Officer, same as above</p> <p data-bbox="430 907 1244 952">April 2014      Appointed as Senior Advisor, same as above</p> <p data-bbox="430 952 1244 1019">June 2014      Appointed as Managing Director, General Insurance Rating Organization of Japan</p> <p data-bbox="430 1019 1244 1108">June 2018      Appointed as Standing Auditor, Green Investment Promotion Organization (scheduled to resign on June 29, 2022)</p> <p data-bbox="430 1142 1244 1198">■ Reasons for selection as a candidate for Outside Audit and Supervisory Board Member</p> <p data-bbox="430 1198 1244 1366">As Mr. Hisashi Takebayashi has a wealth of experience and knowledge regarding corporate management and sustainability acquired as a director of Sampo Japan Insurance Inc. and Executive Director of the Green Investment Promotion Organization, he is expected to contribute to strengthening the audit structure of the Company.</p> <p data-bbox="430 1366 1244 1422">■ Special notes on the candidate for Outside Audit and Supervisory Board Member</p> <p data-bbox="430 1422 1244 1556">Although Mr. Hisashi Takebayashi served until June 2014 at Sampo Japan Insurance Inc., it has been more than eight years since his retirement, and he satisfies the standards of determining independence defined by the Company.</p>	<p data-bbox="1348 1008 1428 1075">0 shares</p>

- Notes: 1. No special interest exists between the Company and the above candidate for Audit and Supervisory Board member.
2. Mr. Hisashi Takebayashi is a candidate for outside Audit and Supervisory Board member as defined by the Companies Act. Furthermore, if Proposal No. 4 is approved, the Company plans to conclude an agreement to limit liabilities for damages with Mr. Hisashi Takebayashi based on Article 40, Paragraph 2 of the Articles of Incorporation of the Company. However, the amount of the limit for liability for damages under this agreement shall be the minimum amount for liability as defined by Article 425, Paragraph 1 of the Companies Act.
3. In addition to the standards defined by securities exchanges, Mr. Hisashi Takebayashi satisfies the standards of independence defined by the Company, and the Company has submitted him as an independent officer to the financial instrument exchanges on which it is listed. The standards of determining independence for outside officers defined by the Company are provided on page 18.
4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance agreement compensates for damages including legal damages, litigation expenses, and other costs to be borne by the insureds.
- The candidate will be included in the insureds under the said insurance agreement. The overview of the directors' and officers' liability insurance agreement is provided on page 35 in the Japanese version of this document.



Skills Matrix for Members of the Board and Audit and Supervisory Board Members

		Expertise and experience of Directors and Audit and Supervisory Board Members						
	Name	Corporate Management	Technology / IT	Sales / Business Strategy	Finance / Accounting	Legal Affairs/ Risk Management	CSR / Sustainability	Global
Directors	Takuzo Shimizu	•	•	•			•	
	Kazuya Ueda	•	•	•				
	Tetsushi Noguchi		•	•				
	Hiroshi Watanabe		•	•				•
	Tomoyuki Yamashita				•	•	•	•
	Osamu Hidaka		•	•				•
	Yasuhiro Kawashima	Outside	•	•				•
	Hidenori Takahashi	Outside	•			•	•	
	Hokuto Nakano	Outside	•		•	•		•
	Mina Sekiguchi	Outside	•		•	•	•	•
Audit and Supervisory Board Members	Michio Inatomi				•	•	•	•
	Hideaki Kuraishi	Outside		•	•			•
	Shin Suganami	Outside		•			•	
	Hisashi Takebayashi	Outside	•	•			•	

\*CSR/Sustainability: Includes issues such as ESG, IR/public relations, Diversity & Inclusion, human rights, and the global environment

[Expertise Criteria]

Corporate management	A person with experience as representative director, director at another corporation, president or director at an audit corporation or incorporated foundation, etc.
Technology / IT	A person with expert knowledge about / experience as executive officer or general manager in charge of construction technology, IT, etc.
Sales / Business strategy	A person with experience as executive officer or general manager, etc., in charge of sales / business strategies
Finance / Accounting	A person with expert knowledge about / experience as executive officer or general manager in charge of finance / accounting
Legal Affairs / Risk management	A person with expert knowledge about / experience as executive officer or general manager in charge of legal affairs/ risk management
CSR / Sustainability	A person with expert knowledge about / experience as executive officer or general manager in charge of CSR / sustainability
Global	A person with expert knowledge about / experience as executive officer or general manager in charge of global business, or a person with occupational experience abroad

(Reference)

#### Standards of Determining Independence for Outside Members of the Board

Independent outside members of the board and independent outside audit and supervisory board members of the Company (hereinafter referred to as “Outside Members of the Board”) are defined as persons to whom none of the following apply.

- 1) Those who are a business executive (\*1) or was a business executive of the Company or an affiliate of the Company (hereinafter referred to as “Group”)
- 2) Those who are or were within the past five (5) years a major shareholder (\*2) of the Company or a member of the board, audit and supervisory board member, accounting Adviser, or business executive of the parent company or significant subsidiary thereof
- 3) Those who are a member of the board, audit and supervisory board member, accounting advisor, or business executive of a company of which the Company is currently a major shareholder
- 4) Those who are or were within the past three (3) fiscal years an entity that holds or held the Group as a major transaction partner (\*3) or a business executive of the parent company or significant subsidiary thereof
- 5) Those who are or were within the past three (3) fiscal years a major transaction partner of the Company (\*4) or a business executive of the parent company or significant subsidiary thereof
- 6) Those who are a business executive of an organization that receives a significant amount (\*5) of donations from the Group
- 7) Those who are a company that receives member of the board (regardless of employment patterns) from the Group or a member of the board, audit and supervisory board member, accounting advisor, or business executive of the parent company or significant subsidiary thereof
- 8) Those who are or were within the past three (3) years a significant creditor, etc., (\*6) of the Company or a member of the board, audit and supervisory board member, accounting advisor, or business executive of the parent company or significant subsidiary thereof
- 9) Those who are a full-time employee, partner, or employee of the accounting firm that is the accounting auditor of the Company
- 10) Those who are a specialist such as a consultant, accountant, tax accountant, attorney, judicial scrivener, or patent attorney, etc., that receives a significant amount (\*5) of cash or other property from the Group
- 11) Those who are a spouse, relative within the second degree of kinship, or shares living accommodations with an entity to which 1) to 10) above apply
- 12) Those who pose a constant and essential risk of conflict of interest with general shareholders of the Company for reasons other than the factors accounted for in each of the items above
- 13) Those who have served for a cumulative total of over eight (8) years in office as an outside member of the board of the Company

\*1 An executive director, executive, executive officer, manager, or other employee of a corporation or other organization

\*2 A shareholder holding a ratio of 10% or more of voting rights

\*3 An entity that receives payment from the Group of 2% or more of its annual consolidated net sales in the most recent fiscal year

\*4 An entity that makes payment to the Group of 2% or more of annual consolidated net sales of the Company for the most recent fiscal year

\*5 An average of ¥10 million or more over the past three (3) fiscal years

\*6 A financial institution or other large-scale creditor which the Company requires for fund procurement and is dependent upon to the extent that it is irreplaceable

(Enacted November 11, 2015)