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(Stock Exchange Code: 6073)

June 2, 2023

(Commencement date of electronic provision measures: May 24, 2023)

To Shareholders with Voting Rights:

Sei Miyauchi
Chief Executive Officer
Asante, Inc.
1-33-15 Shinjuku, Shinjuku-Ku, Tokyo

NOTICE OF THE 50th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially notified of the 50th Annual General Meeting of Shareholders of Asante, Inc. (the “Company”). The meeting will be held for the purposes as described below.

When convening this year’s General Meeting of Shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures on the Company’s website

- The Company website (<https://www.asante.co.jp/ir/library/meeting/>) (Japanese only)

In addition to the website shown above, the Company also has posted this information on the Tokyo Stock Exchange (TSE) website. Please access to the TSE website below, enter the Company’s name or stock exchange code to run a search, select “Basic information” and then “Documents for public inspection/PR information” to confirm the details.

- TSE website (Listed Company Search)
(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

If you do not attend the meeting, you may exercise your voting rights in advance via the Internet or in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights so that your votes will be received no later than 5:00 p.m. on Tuesday, June 20, 2023, Japan time, either by: entering your vote for or against each Proposal on the voting website specified by the Company (<https://evote.tr.mufg.jp/>) (Japanese only); or indicating your vote for or against each Proposal in the enclosed Voting Rights Exercise Form and sending the Form back to us.

- 1. Date and Time:** Wednesday, June 21, 2023 at 10:00 a.m. Japan time
(Reception will open at 9:00 a.m.)
- 2. Place:** 5F conference center at Belle Salle Shinjuku Grand located at
8-17-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 50th Fiscal Year (April 1, 2022 - March 31, 2023), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company's 50th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Dividends from Surplus
Proposal 2: Election of Nine Directors
Proposal 3: Election of Two Audit & Supervisory Board Members
Proposal 4: Election of One Substitute Audit & Supervisory Board Member

4. Matters Determined for Convocation of General Meeting of Shareholders

- (1) If you exercise your voting rights more than once via the Internet, your last vote will be deemed valid.
- (2) If you exercise your voting rights both by using the Voting Rights Exercise Form and via the Internet, your vote via the Internet will be deemed valid.
- (3) If you are unable to attend the General Meeting of Shareholders, you may appoint another shareholder with voting rights (one person) as your proxy to attend the General Meeting of Shareholders on your behalf. Please note that submission of a document that verifies the proxy's authority will be required.
- (4) Should you indicate neither approval nor disapproval on each Proposal in the Voting Rights Exercise Form, it shall be treated as an approval vote.

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1. When attending the meeting, please bring this Notice with you and submit the enclosed Voting Rights Exercise Form at the reception desk.
 2. Pursuant to the laws and regulations, and the provisions in Article 14 of the Articles of Incorporation, the following matters are posted on the Company's website and the TSE website, and are not included in the paper copy sent to shareholders. Accordingly, the paper copy is part of the information audited by the Accounting Auditor and the Audit & Supervisory Board Members in preparing audit reports.
 - System for Ensuring the Appropriateness of Operations and the Operating Status of the Systems in the Business Report;
 - Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements in the Consolidated Financial Statements, and;
 - Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements
 3. Should the matters subject to the electronic provision measures require any revisions, the revised versions will be posted on the respective websites where the matters are posted.
 4. From this year, the results of the resolution of the General Meeting of Shareholders of the Company will be posted on the Company's website (<https://www.asante.co.jp/ir/>)(Japanese only) instead of sending the written Notice of Resolution.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Dividends from Surplus

With respect to dividends from surplus, the Company's basic dividend policy is to give top priority to generating returns to its shareholders and maintain stable dividends as a fundamental rule, while taking such factors as the Company's strengthening of its corporate constitution and enhancement of its internal reserves into consideration in a comprehensive manner.

In accordance with such policy, the Company proposes a year-end dividend for the fiscal year under review of 31 yen per share as follows. Combined with the interim dividend of 31 yen, the annual dividend will be 62 yen per share.

Matters concerning year-end dividend

- (1) Type of dividend property
Cash
- (2) Matters concerning allotment of dividend property to shareholders and total amount thereof
31 yen per share of the Company's common stock, 340,628,155 yen in total amount
- (3) Effective date of dividends from surplus
June 22, 2023

Proposal 2: Election of Nine Directors

The terms of office of all eight Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. The Company proposes to increase the number of Directors by one in order to further strengthen the management system. Accordingly, the election of nine Directors is proposed.

The candidates for Director are as follows:

○ = Areas in which the candidate has knowledge, experience, and abilities

● = Areas where Outside Directors are expected to contribute in terms of knowledge, experience, and abilities

No.	Name	Position in the Company	Type of nomination	Knowledge, experience, and abilities possessed by Directors						
				Corporate management	Sales, marketing	Legal affairs, risk management	Finance, accounting	Human resources, labor relations, human resource development	Technology, quality assurance	IT, digital
1	Sei Miyauchi	Chief Executive Officer		○	○			○	○	
2	Masami Iishiba	Senior Managing Director		○	○	○	○	○		
3	Yoshiyuki Nakao	Director		○	○	○	○	○		
4	Yoshimitsu Ishigami	Director			○				○	
5	Tetsuji Hamazato	—			○				○	
6	Shungo Matsuo	—						○		○
7	Toshiya Natori	Director	Outside Independent	●		●	●	●		
8	Michiaki Tanaka	Director	Outside Independent	●	●	●	●	●		●
9	Naoko Omura	—	Outside Independent	●			●			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Sei Miyauchi (March 11, 1971) [Reappointment]	<p>March 1994 Joined the Company</p> <p>April 2010 General Manager, HA Business Department</p> <p>June 2013 Director; General Manager, HA Business Department</p> <p>February 2015 Director; Head of Sales Division</p> <p>April 2015 Director; Head of Sales Division; General Manager, TS Sales Department</p> <p>February 2016 Director; General Manager, Personnel Development Department</p> <p>April 2019 Managing Director; Head of Sales Division</p> <p>February 2020 Chief Executive Officer; Head of Sales Division</p> <p>June 2020 Chief Executive Officer (to present)</p>	30,400
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Sei Miyauchi has engaged in operations of the field of sales for many years and has a high level of knowledge across all of businesses of the Company. He has served as Director since June 2013 and as Chief Executive Officer since February 2020. The Company has judged that his experience and abilities will contribute to the Company's sustainable growth and enhancement of corporate value, and has therefore renominated him as a candidate for Director.</p>	
2	Masami Iishiba (December 24, 1950) [Reappointment]	<p>April 1973 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>September 2002 Joined the Company; General Manager, Corporate Planning Office</p> <p>November 2002 Director; General Manager, Corporate Planning Office</p> <p>November 2005 Managing Director; General Manager, Corporate Planning Office</p> <p>April 2019 Managing Director; Head of Administration Division; General Manager, Corporate Planning Department</p> <p>January 2020 Managing Director; Head of Administration Division</p> <p>April 2020 Senior Managing Director; Head of Administration Division</p> <p>July 2020 Director, Heartful Home Co., Ltd.</p> <p>February 2023 Senior Managing Director, the Company (to present)</p>	37,900
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masami Iishiba has abundant experience from his time at a financial institution. He has taken responsibility for corporate planning and other administrative departments as Director after joining the Company, and has served as Senior Managing Director since April 2020. The Company has judged that his experience and abilities will contribute to the Company's sustainable growth and enhancement of corporate value, and has therefore renominated him as a candidate for Director.</p>	
3	Yoshiyuki Nakao (October 31, 1962) [Reappointment]	<p>April 1986 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>October 2015 Joined the Company; General Manager, Accounting and Finance Department</p> <p>February 2016 General Manager, General Affairs Department</p> <p>May 2016 Audit & Supervisory Board Member, Human Green Service Co., Ltd.</p> <p>January 2017 General Manager, General Affairs and Personnel Department, the Company</p> <p>June 2017 Director; General Manager, General Affairs and Personnel Department</p> <p>January 2020 Director; General Manager, Corporate Planning Department</p> <p>October 2021 Director; Deputy Head of Administration Division; General Manager, Corporate Planning Department</p> <p>February 2023 Director; Head of Administration Division; General Manager, Corporate Planning Department (to present)</p>	5,300
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yoshiyuki Nakao has abundant experience from his time at a financial institution. He has served in important posts of administrative departments after joining the Company, and has been responsible for overseeing the entire administrative division since February 2023. He has a high level of insight regarding corporate management. The Company has judged that his experience and abilities will contribute to the Company's sustainable growth and enhancement of corporate value, and has therefore renominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Yoshimitsu Ishigami (July 3, 1966) [Reappointment]	<p>June 1990 Joined the Company</p> <p>February 1999 Head of Chiba Branch</p> <p>November 2010 General Manager, Materials Department</p> <p>February 2015 General Manager, Customer Consultation Department</p> <p>April 2019 General Manager, Technical Department</p> <p>June 2020 Director; Head of Sales Division</p> <p>April 2021 Director; Head of Sales Division; General Manager, Business Promotion Department</p> <p>October 2021 Director; Head of Sales Division (to present)</p> <p>May 2022 Director, Heartful Home Co., Ltd. (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Yoshimitsu Ishigami has experienced businesses in the field of sales for many years and worked on issues such as enhancement of compliance and technical capabilities, etc., while serving as General Manager of Customer Consultation Department and General Manager of Technical Department, and has been responsible for overseeing the entire sales division since June 2020. He has a high level of knowledge on the business of the Company. The Company has judged that his experience and abilities will contribute to the Company's sustainable growth and enhancement of corporate value, and has therefore renominated him as a candidate for Director.</p>	6,500
5	Tetsuji Hamazato (February 6, 1973) [New appointment]	<p>March 1996 Joined the Company</p> <p>February 2002 Head of Ibaraki Branch</p> <p>April 2021 General Manager, Corporate Sales Department</p> <p>July 2022 Deputy Head of Sales Division; General Manager, Corporate Sales Department (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Tetsuji Hamazato has been involved in the Company's core businesses for many years and has served in important posts of sales division. He has held the positions of Deputy Head of Sales Division and General Manager of Corporate Sales Department since July 2022. The Company has judged that he will contribute to the Company's sustainable growth and enhancement of corporate value because he has abundant experience and broad insight regarding the Company's businesses, and has therefore newly nominated him as a candidate for Director.</p>	2,000
6	Shungo Matsuo (July 9, 1970) [New appointment]	<p>March 1994 Joined the Company</p> <p>January 2020 General Manager, General Affairs and Personnel Department</p> <p>May 2020 Audit & Supervisory Board Member, Human Green Service Co., Ltd. (to present)</p> <p>February 2023 Deputy Head of Administration Division, the Company (to present)</p> <p>[Reason for nomination as candidate for Director] Mr. Shungo Matsuo has been involved in a wide range of administrative operations, including general affairs, human resources, labor management, and information systems, and has held the position of Deputy Head of Administration Division since February 2023. The Company has judged that he will contribute to the Company's sustainable growth and enhancement of corporate value because he has abundant experience and broad insight regarding the Company's businesses, and has therefore newly nominated him as a candidate for Director.</p>	100

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Toshiya Natori (December 17, 1963) [Reappointment] [Outside] [Independent]	<p>April 1988 Appointed as Prosecutor</p> <p>July 2006 Prosecutor, Tokyo District Public Prosecutors Office</p> <p>July 2010 Deputy Executive Director, Criminal Affairs Department of Tokyo District Public Prosecutors Office</p> <p>April 2011 Director of the Public Security Division of the Criminal Affairs Bureau, Ministry of Justice</p> <p>January 2012 Director of the Criminal Affairs Division of the Criminal Affairs Bureau, Ministry of Justice</p> <p>December 2012 Director of the Secretarial Division, Ministry of Justice</p> <p>July 2015 Chief Prosecutor, Morioka District Public Prosecutors Office</p> <p>July 2016 Prosecutor, Supreme Public Prosecutors Office</p> <p>August 2016 Admitted as Counsel (Dai-Ichi Tokyo Bar Association) Joined OH-EBASHI LPC & PARTNERS (Tokyo Office)</p> <p>March 2020 Joined Natori Law Office (currently ITN Partners) (to present)</p> <p>June 2020 Outside Audit & Supervisory Board Member, TOBISHIMA CORPORATION (to present)</p> <p>November 2020 Outside Director, Japan Enerise Co., Ltd.</p> <p>June 2021 Outside Director, Mirainovate Co., Ltd. (currently J Trust Co., Ltd.) Director, the Company (to present)</p> <p>February 2023 Outside Director, J Trust Co., Ltd. (to present)</p> <p>(Significant concurrent positions) Counsel, ITN Partners Outside Audit & Supervisory Board Member, TOBISHIMA CORPORATION Outside Director, J Trust Co., Ltd.</p> <p>[Reason for nomination as candidate for Outside Director and a summary of expected roles] Mr. Toshiya Natori has served as an outside corporate auditor and outside director of several companies, along with his wealth of experience and expertise as a prosecutor and counsel, and has a broad insight. Based on this advanced knowledge, he has provided appropriate advice and supervision to the Board of Directors of the Company. The Company believes that he will continue to contribute to the improvement of the effectiveness of the Board of Directors of the Company, and has therefore renominated him as a candidate for Outside Director. He has not been involved in corporate management other than by serving as an outside officer, but the Company has judged that he is capable of appropriately performing his duties of an Outside Director for the reasons stated above. His period in office as Outside Director of the Company will be two years at the conclusion of this General Meeting of Shareholders.</p>	—

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	Michiaki Tanaka (December 13, 1964) [Reappointment] [Outside] [Independent]	<p>April 1987 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 1997 MBA, The University of Chicago Booth School of Business</p> <p>February 1998 Retirement from the bank</p> <p>March 1998 Joined Citibank Japan</p> <p>January 2000 Joined Bank of America Securities Japan</p> <p>May 2002 Joined ABN Amro Securities Japan</p> <p>August 2003 President and CEO, Japan Strategic Finance Research Institute, Inc. (to present)</p> <p>June 2006 President and CEO, Merging Point Co. Ltd. (to present)</p> <p>May 2013 Outside Director, SADAMATSU Company Limited (currently Festaria Holdings Co., Ltd.)</p> <p>April 2015 Professor, Rikkyo University Graduate School of Business Administration (to present)</p> <p>June 2021 Director, the Company (to present)</p> <p>(Significant concurrent positions)</p> <p>President and CEO, Japan Strategic Finance Research Institute, Inc.</p> <p>President and CEO, Merging Point Co. Ltd.</p> <p>Professor, Rikkyo University Graduate School of Business Administration</p>	—
		<p>[Reason for nomination as candidate for Outside Director and a summary of expected roles]</p> <p>Mr. Michiaki Tanaka has a wealth of experience and expertise in management, having served in key positions at several financial institutions, as a representative director of a consulting company, and as a professor at a graduate school of business administration. Based on this advanced knowledge, he has provided appropriate advice and supervision to the Board of Directors of the Company. The Company believes that he will continue to contribute to the improvement of the effectiveness of the Board of Directors of the Company, and has therefore renominated him as a candidate for Outside Director. His period in office as Outside Director of the Company will be two years at the conclusion of this General Meeting of Shareholders.</p>	
9	Naoko Omura (July 19, 1973) [New appointment] [Outside] [Independent]	<p>October 1997 Joined Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC)</p> <p>July 2001 Admitted as Certified Public Accountant</p> <p>November 2013 Outside Auditor, VOLARE Inc. (currently Nyle Inc.)</p> <p>May 2015 Outside Director (Audit and Supervisory Board Member), Nyle Inc. (to present)</p> <p>January 2019 Outside Auditor, DRAFT Inc.</p> <p>March 2020 Graduated from Graduate School of Management, GLOBIS University Obtained MBA</p> <p>March 2023 Outside Director (Audit and Supervisory Board Member), DRAFT Inc. (to present)</p> <p>(Significant concurrent positions)</p> <p>Outside Director (Audit and Supervisory Board Member), Nyle Inc.</p> <p>Outside Director (Audit and Supervisory Board Member), DRAFT Inc.</p>	—
		<p>[Reason for nomination as candidate for Outside Director and a summary of expected roles]</p> <p>Ms. Naoko Omura has extensive experience and a high level of expertise as a certified public accountant, as well as the experience as a member of audit committee and an auditor of other companies. Based on such experience and advanced knowledge, the Company has judged that she will contribute to the appropriate supervision of the Company's management, and has therefore newly nominated her as a candidate for Outside Director. She has not been involved in corporate management other than by serving as an outside director, but the Company has judged that she is capable of appropriately performing her duties as an Outside Director for the reasons stated above.</p>	

(Notes)

1. There are no special interests between each of the candidates for Director and the Company.
2. Mr. Toshiya Natori, Mr. Michiaki Tanaka, and Ms. Naoko Omura are candidates for Outside Director. The Company has registered Mr. Toshiya Natori and Mr. Michiaki Tanaka as Independent Officers, pursuant to the rules of the Tokyo Stock Exchange, Inc. The Company intends to register Ms. Naoko Omura as an Independent Officer with the Exchange. In addition, these candidates satisfy the Criteria for Independence of Outside Officers set forth by the Company.

3. The Company has entered into agreements with Mr. Toshiya Natori and Mr. Michiaki Tanaka to limit their liabilities for damages provided for in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreements shall be the minimum amount provided for in Article 425, Paragraph 1 of the same Act. If the candidates are reelected as Directors, the Company intends to continue the agreements with them. In addition, if Ms. Naoko Omura is elected as Director, the Company intends to enter into a similar agreement with her.
4. The Company has concluded a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract shall cover liability for damages to be borne by insured persons. The candidates shall be included as insured persons under the insurance contract.
5. There are no transactions between the Company and the companies at which Mr. Toshiya Natori, Mr. Michiaki Tanaka, or Ms. Naoko Omura holds significant concurrent positions.

Proposal 3: Election of Two Audit & Supervisory Board Members

As the terms of office of three Audit & Supervisory Board Members will expire at the conclusion of this year's Annual General Meeting of Shareholders, the Company proposes the election of two Audit & Supervisory Board Members.

Submission of this Proposal has been given the consent of the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Member are as follows:

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
1	Takashi Miyachi (December 17, 1964) [New appointment]	<p>April 1989 Joined the Company</p> <p>October 2001 General Manager, Computer Operation Department</p> <p>April 2008 General Manager, Personnel Development Department</p> <p>March 2012 General Manager, Internal Audit Department</p> <p>July 2013 General Manager, TS Business Department</p> <p>April 2015 General Manager, Information System Department</p> <p>January 2017 General Manager, Business Promotion Department</p> <p>April 2021 General Manager, Internal Audit Department (to present)</p> <p>[Reason for nomination as candidate for Audit & Supervisory Board Member] Mr. Takashi Miyachi has held key positions in a wide range of areas, including sales, recruiting, and information system divisions, and is familiar with the Company's operations. In addition, he has a wealth of experience and broad insight. The Company has judged that he is capable of appropriately performing his duties of an Audit & Supervisory Board Member and has therefore newly nominated him as a candidate for Audit & Supervisory Board Member.</p>	700
2	Yoshihisa Uchida (February 2, 1966) [New appointment] [Outside] [Independent]	<p>October 1989 Joined Audit firm Asahi Shinwa & Co. (currently KPMG AZSA LLC)</p> <p>August 1993 Admitted as Certified Public Accountant</p> <p>May 2007 Partner of KPMG AZSA LLC</p> <p>July 2020 Opened Uchida Yoshihisa Certified Public Accountant Office (to present)</p> <p>October 2020 Admitted as Tax Accountant</p> <p>March 2022 Outside Auditor of SocioFuture, Ltd. (to present)</p> <p>(Significant concurrent positions) Representative, Uchida Yoshihisa Certified Public Accountant Office Outside Auditor, SocioFuture, Ltd.</p> <p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Mr. Yoshihisa Uchida has extensive experience and a high level of expertise as a certified public accountant, as well as the experience as an auditor of other company. The Company has judged that such experience and high-level knowledge can be utilized for more effective auditing, and has therefore newly nominated him as a candidate for Outside Audit & Supervisory Board Member. He has not been involved in corporate management other than by serving as an outside officer, but the Company has judged that he is capable of appropriately performing his duties as an Outside Audit & Supervisory Board Member for the reasons stated above.</p>	—

(Notes)

1. There are no special interests between each of the candidates for Audit & Supervisory Board Member and the Company.
2. Mr. Yoshihisa Uchida is a candidate for Outside Audit & Supervisory Board Member. Mr. Yoshihisa Uchida satisfies the criteria for Independent Officer, pursuant to the rules of the Tokyo Stock Exchange, Inc., and if he assumes office as Outside Audit & Supervisory Board Member, the Company intends to register him as an Independent Officer with the Exchange. In addition, the candidate satisfies the Criteria for Independence of Outside Officers set forth by the Company.
3. The Company has entered into agreements with Outside Audit & Supervisory Board Members to limit their liability for damages provided for in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreements shall be the minimum amount provided for in Article 425, Paragraph 1 of the same Act. If Mr. Yoshihisa Uchida is elected as Outside Audit & Supervisory Board Member, the Company intends to enter into the agreement with him.
4. The Company has concluded a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract shall cover liability for damages to be borne by insured persons. The candidates shall be included as insured persons under the insurance contract.
5. There are no transactions between the Company and the companies at which Mr. Yoshihisa Uchida holds significant concurrent positions.

Proposal 4: Election of One Substitute Audit & Supervisory Board Member

In order to prepare for a shortage in the number of Audit & Supervisory Board Members stipulated in laws and regulations, the Company proposes the election of one Substitute Audit & Supervisory Board Member in advance.

The effectiveness of election in this Proposal may be rescinded, only prior to the Substitute Audit & Supervisory Board Member's assumption of the position, by resolution of the Board of Directors with the consent of the Audit & Supervisory Board.

Submission of this Proposal has been given the consent of the Audit & Supervisory Board.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience and significant concurrent positions	Number of shares of the Company held
Yukio Inukai (December 7, 1952)	April 1975 Joined SHIMIZU CORPORATION October 2003 General Manager, Operation Control Department , Building Construction Headquarters, SHIMIZU CORPORATION April 2007 Deputy General Manager, KANTO Branch, SHIMIZU CORPORATION June 2011 Full-time Audit & Supervisory Board Member, the Company (to present) (Significant concurrent positions) None	—

(Notes)

1. There are no special interest between the candidate for Substitute Audit & Supervisory Board Member and the Company.
2. Mr. Yukio Inukai is a candidate for Substitute Outside Audit & Supervisory Board Member. Mr. Yukio Inukai satisfies the criteria for Independent Officer, pursuant to the rules of the Tokyo Stock Exchange, Inc., and if he assumes office as Outside Audit & Supervisory Board Member, the Company intends to register him as an Independent Officer with the Exchange.
3. Mr. Yukio Inukai has a wealth of experience and deep insight in business companies and has served as a Full-time Audit & Supervisory Board Member of the Company. The Company proposes his election as a Substitute Outside Audit & Supervisory Board Member so that he can make use of his experience and insight in auditing the Company.
4. Mr. Yukio Inukai is currently a Full-time Audit & Supervisory Board Member of the Company, and his period in office as a Full-time Audit & Supervisory Board Member will be twelve years at the conclusion of this General Meeting of Shareholders.
5. The Company has entered into agreements with Outside Audit & Supervisory Board Members to limit their liability for damages provided for in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreements shall be the minimum amount provided for in Article 425, Paragraph 1 of the same Act. If Mr. Yukio Inukai is elected as Outside Audit & Supervisory Board Member, the Company intends to enter into the agreement with him.
6. The Company has concluded a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract shall cover liability for damages to be borne by insured persons. If Mr. Yukio Inukai is elected as Outside Audit & Supervisory Board Member, he shall be included as an insured person under the insurance contract.

(Reference) Criteria for Independence of Outside Officers

The Company has set forth the following criteria regarding the independence of Outside Officers at the Company, and Outside Officers who do not fall under any of the criteria shall be declared independent:

- (1) An executive of the Company or a subsidiary of the Company;
- (2) An executive of a business partner accounting for more than 2% of the Company's annual net sales in the most recent fiscal year;
- (3) An executive of a business partner whose net sales to the Company exceed 2% of annual net sales in the most recent fiscal year;
- (4) A consultant, accounting expert, or legal expert receiving cash or other property exceeding 10 million yen annually from the Company (in the case where the person receiving the property is a corporation, partnership, or other organization, a person belonging to an entity when property received from the Company exceeds 2% of the entity's annual revenues);
- (5) An executive of a lender listed as a main lender of the Company in the Business Report for the most recent fiscal year;
- (6) A person who fell under any of the above categories (1) through (5) in the past ten (10) years;
- (7) A relative within the second degree of kinship of a person falling under any of the above categories (1) through (5) (however, this applies only to significant persons);
- (8) A major shareholder of the Company (a person or an entity whose ownership ratio of voting rights at the end of the most recent fiscal year accounts for 10% or more of the total voting rights) or an executive of such entity;
- (9) A person receiving donations exceeding 10 million yen annually from the Company (however, in the case where the person receiving the donations is a corporation, partnership, or other organization, an executive of an entity when property received from the Company exceeds 2% of the entity's annual revenues); or
- (10) A person with special circumstances that prevent him or her from fulfilling his or her duties as an independent Outside Officer.