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(Stock Exchange Code 1821)

June 7, 2023

(Commencement date of measures for electronic provision: June 1, 2023)

To Shareholders with Voting Rights:

Shigetoshi Kondo
Representative Director,
President
Sumitomo Mitsui Construction Co., Ltd.
2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan

**NOTICE OF
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We would like to notify you of the 20th Annual General Meeting of Shareholders of Sumitomo Mitsui Construction Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. The Company is posting the matters subject to measures for electronic provision as the “NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS (including “matters omitted in the documents delivered in a paper form”)” on the following website on the Internet.

The Company’s website: <https://www.smcon.co.jp/investor/stock-information/generalmeeting/>

In addition to the above, the information is also available on the following website on the Internet.

Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please search by “Issue name” (Sumitomo Mitsui Construction) or “Code” (1821), and select “Basic information” and then “Documents for public inspection/PR information” to confirm the details.)

In order to prevent the spread of the COVID-19 infection, we will hold this General Meeting of Shareholders after implementing an appropriate selection of preventive measures against infection.

If you agree to exercise your voting rights in advance, please review the Reference Documents for the General Meeting of Shareholders, which are stated in the matters subject to measures for electronic provision, and exercise your voting rights by 5:45 p.m. on Wednesday, June 28, 2023, Japan time.

- 1. Date and Time:** Thursday, June 29, 2023 at 10:00 a.m. Japan time
- 2. Place:** Corporate Headquarters (Conference room on the 2nd floor) located at 2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, the Consolidated Financial Statements for the Company’s 20th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. The Non-consolidated Financial Statements for the Company’s 20th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of 9 Directors
Proposal 3: Election of 1 Audit & Supervisory Board Member

- Should the matters subject to measures for electronic provision require revisions, the contents of the revision will be posted on each website on which they are posted.
- As the following matters, among the matters subject to measures for electronic provision, are posted on the Company's website pursuant to provisions of laws and regulations as well as Article 13-2 of the Articles of Incorporation, they are not presented in the documents that we are delivering to our shareholders.
Necessary systems to ensure appropriate operations and operation status of the systems in the Business Report
The Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements
The Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements
- The Company's website: <https://www.smcon.co.jp/investor/stock-information/generalmeeting/>
- Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Requests to Shareholders Regarding Measures to Prevent the Spread of COVID-19

- ① Please note that, in order to ensure the health and safety of the other shareholders, we will refuse entry (or request exit from the venue) to those who are confirmed to have a fever, exhibit irregular symptoms, and those who have been determined to be not fit to attend.
- ② If any developments in the situation surrounding the spread of infection or the content of announcements by the Japanese government, etc. result in changes in the venue and/or date and time of the meeting, or changes in the operation of the meeting, we will post a notification online on the Company's website to inform you. We ask that shareholders who plan to attend the meeting be sure to check for updated notifications in advance.
- The Company's website: <https://www.smcon.co.jp>

Response to the Electronic Provision System

With regard to the 20th Annual General Meeting of Shareholders of the Company, we are sending the documents for the general meeting of shareholders as before, regardless of whether we receive a request of providing the documents in a paper form or not, as a transitional measure, considering this Meeting is the first general meeting of shareholders following the introduction of the electronic provision system. As for the documents for the general meeting of shareholders to be held in the future, we will let you know when we have determined a means of delivering the documents.

Instructions on Exercising Voting Rights

If Attending the General Meeting of Shareholders

Date and time of the Meeting: Thursday, June 29, 2023, at 10:00 a.m. Japan time

Please hand in the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting. In addition, please bring this booklet for reference at the meeting.

- If exercising voting rights via proxy, one (1) other shareholder with voting rights may attend the General Meeting of Shareholders as your proxy. In this case, please submit documentation to the Company proving the right to represent, such as the power of attorney. (Non-shareholding proxies, accompanying persons or anyone else who is not a shareholder may not attend the General Meeting of Shareholders.)

If Not Attending the General Meeting of Shareholders

Deadline for exercising voting rights: Wednesday, June 28, 2023, 5:45 p.m. Japan time

By Mail

Please indicate whether you approve or disapprove of each proposal on the enclosed Voting Rights Exercise Form and return by mail.

By the Internet

Please indicate whether you approve or disapprove of each proposal on the voting rights exercise website designated by the Company: <https://www.web54.net/>

Please see the next page for details.

If exercising voting rights by mobile phone or smartphone, etc., it is also possible to use a barcode reader to scan the “QR Code®” shown to the right to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



- If there is no indication of approval or disapproval for each proposal on the Voting Rights Exercise Form, it shall be deemed as an indication of approval.
- If you exercise your voting rights twice, such as by writing and Internet, etc., only the later vote arriving at the Company will be considered a valid exercise of voting rights, and if they arrive on the same day, the vote cast through the Internet, etc., will be deemed valid.
- If you exercise your voting rights multiple times via the Internet, etc., only the latest vote shall be deemed valid.

Instructions for Exercise of Voting Rights via the Internet, etc.

If exercising voting rights via the Internet, it is possible only by accessing the following voting rights exercise website designated by the Company. If using a smartphone, by scanning the “QR Code” indicated on the enclosed Voting Rights Exercise Form, it is not necessary to enter the “Voting rights exercise code” and “Password” for logging-in to the voting rights exercise website for smartphones.

1. Access the Voting Rights Exercise Website

The voting rights exercise website: <https://www.web54.net/>

If using a mobile phone or smartphone, etc., it is also possible to scan the “QR Code®” indicated on the right of the Voting Rights Exercise Form to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



2. Login

Enter the “**Voting rights exercise code**” indicated on the bottom left of your Voting Rights Exercise Form.

3. Enter Password

Enter the “**Password**” indicated on the bottom left of your Voting Rights Exercise Form.

Then follow the instructions on screen.

For inquiries regarding the use of the voting rights exercise website:
Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Web Support Dedicated Hotline
[Telephone] 0120-652-031 (9 a.m. to 9 p.m. Japan time)

About the Password

- The password is a means of verifying whether or not the person exercising voting rights is a legitimate shareholder.
Please store this password carefully until the end of this General Meeting of Shareholders.
- The Company shall not respond to inquiries regarding passwords by telephone.
- Incorrectly inputting the password more than a certain number of times will lock it and disable it. To request reissuance of your password, please follow the on-screen instructions.

About the Voting Rights Exercise Platform

Institutional investors may utilize the Voting Rights Exercise Platform operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Concerning the appropriation of surplus, the Company proposes the following.

- Matters concerning year-end dividends

The Company seeks to strengthen its financial standing and increase its internal reserves in preparation for future business expansion while maintaining a stable dividend policy, and determines dividend distribution by taking comprehensive account of trends in business results as well as the future management environment.

Based on the above policy, upon consideration of the business performance, etc. in the future, the Company proposes the following for the year-end dividend for the 20th fiscal year.

(1) Dividend asset type

Cash

(2) Matters concerning distribution of dividends to shareholders and the total amount

The Company recorded a major loss due to worsening profitability of domestic large-scale construction works in the fiscal year under review, which has continued from the previous fiscal year. Accordingly, the Company regrettably proposes a year-end dividend of 14 yen per share, down 6 yen per share from the previous fiscal year.

In this case, the total amount of dividend will be 2,190,899,284 yen.

(3) Date on which the dividend of surplus becomes effective

June 30, 2023

Proposal 2: Election of 9 Directors

The terms of office of all Directors (9 persons) will expire at the end of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect 9 Directors.

The candidates are as follows. From the viewpoint that the Company is a comprehensive construction company mainly in the civil engineering business and building construction business in Japan and overseas, the Company sets a basic policy to form a well-balanced Board of Directors comprising persons with adequate knowledge regarding both businesses, as well as persons with expertise in governance, fund procurement, and corporate management in consideration of diversity such as gender equality and internationality. Furthermore, to enhance the supervision of the Company's management by the Board of Directors from an independent and objective standpoint, the Company revised the composition of the Board of Directors so that the majority of the members would be Outside Directors.

The Nomination and Compensation Advisory Committee, a majority of whose members are Independent Outside Directors and Outside Audit & Supervisory Board Members (part-time), discussed the policy for selecting candidates for Directors and the proposal of actual candidates, and the Board of Directors made a decision on them by giving maximum consideration to the committee's opinions.

In addition, if this Proposal is approved as proposed and the candidates assume the positions of Directors, 5 of the total number of 9 Directors shall be Independent Directors as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

No.		Name	Attribution	Position	Responsibilities	Attendance at Board of Directors Meetings
1	Reappointment	Shoji Kimijima	Male	Director, Chairman		17 out of 17 times (100%)
2	Reappointment	Shigetoshi Kondo	Male	Representative Director, President		17 out of 17 times (100%)
3	Reappointment	Toshio Shibata	Male	Representative Director, Senior Managing Executive Officer	Division Director, Civil Engineering Division	17 out of 17 times (100%)
4	Reappointment	Takeshi Sagara	Male	Director, Senior Managing Executive Officer	Division Director, Safety, Environment & Production Management Division Chief Officer, Construction Committee Meeting of Building Project	17 out of 17 times (100%)
5	Reappointment	Sakio Sasamoto	Outside Independent Director Male	Director		16 out of 17 times (94.1%)
6	Reappointment	Jun Sugie	Outside Independent Director Male	Director		17 out of 17 times (100%)
7	Reappointment	Tamao Hosokawa	Outside Independent Director Female	Director		17 out of 17 times (100%)
8	Reappointment	Tsukasa Kawada	Outside Independent Director Male	Director		17 out of 17 times (100%)
9	New Candidate	Takashi Uchino	Outside Independent Director Male			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Shoji Kimijima (July 29, 1955) [Reappointment] [Male] Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)	April 1979	Joined Sumitomo Construction Co., Ltd.	83,797
		June 1999	General Manager, General Affairs Department, Administration Division	
April 2003	General Manager, General Affairs Department, Global Business Department of the Company			
April 2011	Executive Officer			
April 2013	Managing Executive Officer Division Director, Administration Division			
June 2013	Director			
April 2016	Senior Managing Executive Officer			
April 2019	Representative Director Executive Vice President			
October 2019	Division Director, Administration Division			
April 2023	Director, Chairman (to present)			
Reasons for selection as a candidate for Director Since joining the Company, Mr. Shoji Kimijima has accumulated a wealth of experience from holding important posts in the corporate administration section. After taking up the post of Chairman, he has been working with Mr. Shigetoshi Kondo, President, to strengthen corporate governance and further enrich the management structure. Based on the fact that he has been adequately fulfilling his responsibilities, the Company has judged it appropriate to renominate him as a candidate for Director.				
2	Shigetoshi Kondo (December 24, 1965) [Reappointment] [Male] Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)	April 1988	Joined The Sumitomo Bank, Limited	84,173
		April 2010	Senior Credit Officer, Credit Dept.1, Middle Market Banking Unit, Sumitomo Mitsui Banking Corporation	
April 2013	Deputy General Manager, Asakusabashi Corporate Business Office			
April 2015	General Manager, Nagoya Corporate Solution Center			
April 2017	General Manager, Strategic Corporate Business Dept. Senior General Manager			
April 2018	Senior Manager, Corporate Planning Department and Affiliated Business Department of the Company			
April 2018	Managing Executive Officer			
April 2019	General Manager, Corporate Planning Department			
April 2019	Senior Managing Executive Officer			
June 2019	Director			
April 2020	Division Director, Corporate Planning Division			
April 2021	Representative Director (to present), President (to present)			
Reasons for selection as a candidate for Director Starting with the experience from his banking career, Mr. Shigetoshi Kondo has a wealth of experience from holding important posts in the corporate planning divisions of the Company. He has been working with Mr. Shoji Kimijima, Chairman, to strengthen corporate governance and further enrich the management structure. Based on the fact that he has been adequately fulfilling his responsibilities as top manager, the Company has judged it appropriate to renominate him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Toshio Shibata (December 8, 1962)	April 1985	Joined Mitsui Construction Co., Ltd.	49,536
	[Reappointment] [Male]	April 2003	Civil Engineering Designing Department No.2, Civil Engineering Administration Department, Civil Engineering Business Division of the Company	
	Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)	April 2012	General Manager, Civil Engineering Technical Consulting Department, Civil Engineering Division	
		April 2018	Executive Officer	
		April 2019	General Manager, Tokyo Civil Engineering Branch	
		April 2020	Managing Executive Officer, Division Director, Civil Engineering Division (to present)	
		June 2020	Director	
		April 2022	Representative Director (to present), Senior Managing Executive Officer (to present)	
Reasons for selection as a candidate for Director Since joining the Company, Mr. Toshio Shibata has accumulated a wealth of experience from holding important posts in the civil engineering section, and currently, he is adequately fulfilling his responsibilities as Division Director of Civil Engineering Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				
4	Takeshi Sagara (September 8, 1957)	April 1981	Joined Mitsui Construction Co., Ltd.	54,588
	[Reappointment] [Male]	April 2003	Construction Site Manager, Tokyo Building Construction Branch of the Company	
	Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)	July 2007	General Manager, Building Construction Department, Kyushu Branch	
		April 2012	General Manager, Kyushu Branch	
		April 2013	Executive Officer	
		April 2015	Managing Executive Officer	
		April 2016	Overall in charge of Construction, Building Construction Division	
		April 2019	Division Director, Production Management Division	
		April 2021	Senior Managing Executive Officer (to present)	
		April 2021	Division Director, Safety, Environment & Production Management Division	
		June 2021	Division Director, Safety, Environment & Production Management Division (to present)	
		April 2023	Director (to present)	
		April 2023	Chief Officer, Construction Committee Meeting of Building Project (to present)	
Reasons for selection as a candidate for Director Since joining the Company, Mr. Takeshi Sagara has accumulated a wealth of experience from holding important posts in the building construction and production management sections. Currently, he is adequately fulfilling his responsibilities as Division Director of Safety, Environment & Production Management Division and Chief Officer, Construction Committee Meeting of Building Project. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	<p style="text-align: center;">Jun Sugie (June 23, 1956)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Male]</p> <p>Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)</p>	<p>April 1979 Joined former Ministry of Finance July 2007 Deputy Commissioner, Large Enterprise Examination and Criminal Investigation Department, National Tax Agency July 2008 Regional Commissioner, Kantoshinetsu Regional Taxation Bureau July 2009 Deputy Commissioner (International Affairs), Commissioner's Secretariat, National Tax Agency July 2011 Regional Commissioner, Tokyo Regional Taxation Bureau December 2012 Deputy Director-General, Japan Securities Depository Center, Incorporated June 2014 Managing Director, Japan Securities Depository Center, Incorporated July 2015 Managing Director, JASDEC DVP Clearing Corporation Senior Executive Officer, Japan Securities Depository Center, Incorporated May 2017 Outside Director, IDOM Inc. (to present) April 2018 Vice Chairman and Executive Director, The Investment Trusts Association, Japan (to present) June 2019 Outside Director of the Company (to present)</p> <p>[Significant concurrent positions] • Outside Director, IDOM Inc. • Vice Chairman and Executive Director, The Investment Trusts Association, Japan</p>	0
6		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Mr. Jun Sugie is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) Mr. Jun Sugie has been selected as a candidate for Outside Director as the Company wishes to have him continue to reflect his sophisticated expertise in accounting and taxation and wide range of management experience and insights in the Company's management. Furthermore, during his tenure as Outside Director, he has been adequately fulfilling his responsibilities as Director of the Company, and as stated in (4. Matters regarding Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 20th fiscal year (available in Japanese only), he is appropriately fulfilling his responsibilities during the fiscal year under review as well. Therefore, the Company has judged that he will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) The Company believes that he can provide useful remarks and suggestions from an independent and objective standpoint based on his sophisticated expertise in accounting and taxation and wide range of management experience and insights in the Company's management described in 2) above. He is also expected to supervise the Company's management as a member of the Nomination and Compensation Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director In view of the fact that no transactions exist between the Company and IDOM Inc. and The Investment Trusts Association, where Mr. Jun Sugie concurrently serves, the Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence qualification, and has thereby registered him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If he is reelected as Director and appointed Outside Director, the Company plans to maintain his registration as an Independent Director.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company The term of retention of Mr. Jun Sugie as Outside Director will be 4 years at the close of this General Meeting.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	<p>Tamao Hosokawa (July 12, 1968)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Female]</p> <p>Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)</p>	<p>May 1993 Became a journalist (to present) October 2003 Member of the Shinagawa Ward Board of Education April 2004 Part-time lecturer (modern politics), Seisa University January 2016 Director, Chiba Institute of Technology June 2017 Director, Japan Institute for National Fundamentals (to present) June 2019 Outside Director of the Company (to present) April 2021 Member of Gender Equality Bureau, Cabinet Office (to present), Member of Council for Information Disclosure and Personal Information Protection, Tokyo Metropolitan Government (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Journalist • Director, Japan Institute for National Fundamentals • Member of Gender Equality Bureau, Cabinet Office • Member of Council for Information Disclosure and Personal Information Protection, Tokyo Metropolitan Government 	0
		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Ms. Tamao Hosokawa is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) Ms. Tamao Hosokawa has been selected as a candidate for Outside Director as the Company wishes to have her continue to reflect her objective point of view and broad knowledge as journalist in the Company's management. Furthermore, during her tenure as Outside Director, she has been adequately fulfilling her responsibilities as Director of the Company, and as stated in (4. Matters regarding Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 20th fiscal year (available in Japanese only), she is appropriately fulfilling her responsibilities during the fiscal year under review as well. Therefore, the Company has judged that she will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) The Company believes that she can provide useful remarks and suggestions for the Company's management from an independent and objective standpoint reflecting her objective point of view and broad knowledge gained through her career as a journalist described in 2) above. She is also expected to supervise the Company's management as a member of the Nomination and Compensation Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure, besides providing useful advice on the promotion of women empowerment and diversity and inclusion at the Company.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Ms. Tamao Hosokawa has assumed the office of a Director of Chiba Institute of Technology (retired in January 2020), which has transactional relationships with the Company, but the amount of business between the Group and the said institute is less than 1% of annual consolidated net sales of the Group, on average over the most recent three years. The Company has judged that she does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and has thereby registered her as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If she is reelected as Director and appointed Outside Director, the Company plans to maintain her registration as an Independent Director.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company</p> <p>The term of retention of Ms. Tamao Hosokawa as Outside Director will be 4 years at the close of this General Meeting.</p> <p>4. Ms. Tamao Hosokawa's legal name in the family register is Tamao Katahira.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	<p>Tsukasa Kawada (March 28, 1955)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Male]</p> <p>Attendance at Board of Directors Meetings during fiscal 2022: 17 out of 17 times (100%)</p>	<p>April 1977 Joined Ministry of Foreign Affairs January 1995 Director, Human Rights and Refugees Division, Foreign Policy Bureau, Ministry of Foreign Affairs</p> <p>February 1999 Counsellor, Japanese Embassy in the Philippines February 2001 Minister, Japanese Embassy in France June 2003 Deputy Director-General for Press and Public Diplomacy August 2005 Consul-General of Japan in Sydney September 2007 Consul-General of Japan in Strasbourg July 2009 Chief of Protocol, Headquarters of the Governor of Tokyo June 2010 Director-General, Consular Affairs Bureau, Ministry of Foreign Affairs</p> <p>September 2011 Ambassador Extraordinary and Plenipotentiary to Algeria October 2014 Ambassador Extraordinary and Plenipotentiary in charge of International Cooperation for Countering Terrorism and International Organized Crime</p> <p>June 2016 Ambassador Extraordinary and Plenipotentiary in charge of Okinawan Affairs June 2018 Ambassador Extraordinary and Plenipotentiary to Poland November 2020 Retired from Ministry of Foreign Affairs February 2021 Advisor to Mitsui Sumitomo Insurance Company, Limited (to present) June 2021 Outside Director of the Company (to present)</p> <p>[Significant concurrent positions] • Advisor to Mitsui Sumitomo Insurance Company, Limited</p>	0
8		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Mr. Tsukasa Kawada is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) During his service at Ministry of Foreign Affairs, Mr. Tsukasa Kawada has gained sophisticated expertise and extensive experience in international affairs by holding important posts including Ambassador in several countries. He has been selected as a candidate for Outside Director as the Company expects him to continue to use the said expertise and experience to help the Company achieve its managerial goals, such as developing its international business and promoting its globalization. Furthermore, during his tenure as Outside Director, he has been adequately fulfilling his responsibilities as Director of the Company, and as stated in (4. Matters regarding Corporate Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 20th fiscal year (available in Japanese only), he is appropriately fulfilling his responsibilities during the fiscal year under review as well. Therefore, the Company has judged that he will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) The Company believes that he can provide useful remarks and suggestions for the Company's management from an independent and objective standpoint based on his sophisticated expertise and extensive experience in international affairs described in 2) above. He is also expected to supervise the Company's management as a member of the Nomination and Compensation Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Mr. Tsukasa Kawada is currently an Advisor to Mitsui Sumitomo Insurance Company, Limited, which has transactional relationships with the Company, but the amount of business between the Group and the said company's group is less than 1% of annual consolidated net sales of respective groups, on average over the most recent three years. The Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and has thereby registered him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If he is reelected as Director and appointed Outside Director, the Company plans to maintain his registration as an Independent Director.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company</p> <p>The term of retention of Mr. Tsukasa Kawada as Outside Director will be 2 years at the close of this General Meeting.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	Takashi Uchino (November 17, 1951) [New Candidate] [Candidate for Outside Director] [Candidate for Independent Director] [Male]	<p>April 1982 Full-Time Lecturer, Department of Management, Faculty of Economics, Gakushuin University</p> <p>April 1989 Associate Professor, Department of Management, Faculty of Economics, Gakushuin University</p> <p>April 1990 Professor, Department of Management, Faculty of Economics, Gakushuin University</p> <p>April 1992 General Manager, Corporate Planning Division, The Gakushuin School Corporation</p> <p>June 2013 Outside Director, KANDENKO CO., LTD. (scheduled to retire in June 2023)</p> <p>October 2013 Representative Director, Institute Of Management Studies, Japan (to present)</p> <p>April 2019 Professor emeritus, Gakushuin University (to present)</p> <p>[Significant concurrent positions] • Representative Director, Institute Of Management Studies, Japan</p>	0
9		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Mr. Takashi Uchino is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) The Company believes that Mr. Takashi Uchino can apply his sophisticated expertise and a wide range of insights, which he has developed as a university professor and expert in management, to the enhancement of the Company's function of supervising corporate management and to the overall management of the Company. Therefore, the Company has judged it appropriate to nominate him as a candidate for Outside Director.</p> <p>3) The Company believes that he can provide useful remarks and suggestions for the Company's management from an independent and objective standpoint based on his sophisticated expertise and a wide range of insights in management described in 2) above. He is also expected to supervise the Company's management as a member of the Nomination and Compensation Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Mr. Takashi Uchino currently serves as Representative Director of Institute Of Management Studies, Japan. Mr. Takashi Uchino and the said organization have transactional relationships, etc. with the Company, where the Company consigns the services such as employee training. The Company pays fees, etc. to them based on such relationships. The amount of the fees, etc. is less than 1 million yen for each of the most recent three years. The annual amount that the Company pays to the said organization is less than 2% of net sales of the organization, on average over the most recent three years. The Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and plans to register him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations if he is elected as Director and appointed Outside Director.</p>	

- (Notes)
- As stated in the above "2. Independence qualification of candidate for Outside Director," the Company has a small amount of transactions with Mr. Takashi Uchino and Institute Of Management Studies, Japan in which he serves as Representative Director. There are no special interests between other candidates and the Company.
 - Mr. Sakio Sasamoto, Mr. Jun Sugie, Ms. Tamao Hosokawa, and Mr. Tsukasa Kawada have respectively concluded an agreement to limit liability of Clause 1 of Article 423 of the Companies Act with the Company, and the ceiling of the indemnity based on aforementioned agreement shall be the minimum amount stipulated by laws and regulations. If they are reelected as Directors and appointed Outside Directors, the Company plans to keep the above liability limitation agreement with each of them. If Mr. Takashi Uchino is elected as Director and appointed Outside Director, the Company plans to conclude the same liability limitation agreement with him.
 - The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance contract covers compensation for damages and litigation costs that may be incurred by the insured when any claim for damages is filed against it for its act made on the basis of its position as the Company's Director or Officer. All of the candidates to be reappointed are already insured and will continue to be insured under the insurance contract after their appointment. Mr. Takashi Uchino, a new candidate, will be insured under the insurance contract, once he is appointed. In addition, the Company plans to renew the contract with same contents at the time of the next renewal.

Proposal 3: Election of 1 Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Mr. Hisato Tokunaga will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The candidate for Audit & Supervisory Board Member is as follows.

The Nomination and Compensation Advisory Committee, a majority of whose members are Independent Outside Directors and Outside Audit & Supervisory Board Members (part-time), discussed the policy for selecting candidates for Audit & Supervisory Board Members and the proposal of actual candidate and the Board of Directors made a decision on them by giving maximum consideration to the committee's opinions. The Audit & Supervisory Board has previously given its approval to this proposal.

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
Kazushi Nozawa (May 13, 1961) [New Candidate] [Male]	April 1984 Joined Mitsui Construction Co., Ltd. April 2012 General Manager, Administration Department, Hiroshima Branch of the Company March 2014 General Manager, Administration Department and Safety & Environment Department, Hiroshima Branch November 2014 General Manager, Administration Department, Hiroshima Branch April 2018 General Manager, Audit Department (to present)	734
Reasons for selection as a candidate for Audit & Supervisory Board Member Since joining the Company, Mr. Kazushi Nozawa has accumulated a wealth of experience in the administration section. He has been greatly contributing to strengthening internal control and governance at the Company as General Manager, Audit Department. Therefore, the Company has judged it appropriate to nominate him as a candidate for Audit & Supervisory Board Member.		

- (Notes) 1. There are no special interests between the candidate and the Company.
2. In order to ensure that the Company can appoint or invite competent persons to serve as Audit & Supervisory Board Members, the Company, in the Articles of Incorporation, stipulates that it may enter into an agreement to limit the liability of Audit & Supervisory Board Members to the Company. Based on the stipulation, the Company plans to conclude an agreement with Mr. Kazushi Nozawa to limit liability of Clause 1 of Article 423 of the Companies Act, and the ceiling of the indemnity based on aforementioned agreement shall be the minimum amount stipulated by laws and regulations.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance contract covers compensation for damages and litigation costs that may be incurred by the insured when any claim for damages is filed against it for its act made on the basis of its position as the Company's Director or Officer. Mr. Kazushi Nozawa, a new candidate, will be insured under the insurance contract, once he is appointed. In addition, the Company plans to renew the contract with same contents at the time of the next renewal.

(Reference) Composition of the Board of Directors and Skills Matrix

If Proposals 2 and 3 are approved as originally proposed, the knowledge and experience possessed by the Directors and Audit & Supervisory Board Members after the close of the Annual General Meeting of Shareholders shall be as follows.

Name	Attribution	Position	Skills expected of Directors							
			Corporate management	Sales and marketing	Technology and IT	Finance and accounting	Risk management, compliance, and auditing	Global competence	Sustainability	D&I promotion and human resource development
Shoji Kimijima	[Male]	Director, Chairman	•	•		•	•	•		•
Shigetoshi Kondo	[Male]	Representative Director, President	•	•		•	•		•	
Toshio Shibata	[Male]	Representative Director, Senior Managing Executive Officer	•	•	•			•	•	
Takeshi Sagara	[Male]	Director Senior Managing Executive Officer	•	•	•		•			
Sakio Sasamoto	[Outside Director] [Independent Director] [Male]	Director	•	•			•			•
Jun Sugie	[Outside Director] [Independent Director] [Male]	Director	•	•		•	•	•	•	•
Tamao Hosokawa	[Outside Director] [Independent Director] [Female]	Director		•				•	•	•
Tsukasa Kawada	[Outside Director] [Independent Director] [Male]	Director				•	•	•		•
Takashi Uchino	[Outside Director] [Independent Director] [Male]	Director	•	•	•	•	•		•	•
Michio Harada	[Male]	Audit & Supervisory Board Member (full-time)				•	•			
Yoshiyuki Kato	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member (full-time)		•		•	•			

Name	Attribution	Position	Skills expected of Directors							
			Corporate management	Sales and marketing	Technology and IT	Finance and accounting	Risk management, compliance, and auditing	Global competence	Sustainability	D&I promotion and human resource development
Kazushi Nozawa	[Male]	Audit & Supervisory Board Member (full-time)				•	•			
Aizou Murakami	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member	•				•		•	
Harumasa Kurokawa	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member	•	•	•		•	•		

- (Notes) 1. The above list does not represent all of the knowledge and experience of each person.
2. In the above list, skills in terms of global competence, sustainability, and D&I promotion and human resource development are defined as follows.
- Global competence: Knowledge and skills necessary for planning and implementing overseas business strategies, and for implementing global-specific risk management
- Sustainability: Knowledge and skills to reflect action on social sustainability issues (the environment, biodiversity, human rights, etc.) including SDGs and ESG, in corporate management
- D&I promotion and human resource development: Knowledge and skills that can promote D&I (diversity and inclusion), which is important in future management and business, and that can administer the cultivation and development of human resources

(Reference) Policy on Strategic Shareholdings

The Group owns strategic shareholdings from a perspective of increasing its medium-to long-term corporate value by maintaining and strengthening transactional relationships with its investees while comprehensively considering its business strategy and business relationships with its business partners. The Board of Directors examines the economic rationale and future outlook of each shareholding, such as the purpose of shareholding and whether the benefits and risks of shareholding is commensurate with the capital cost.

The Company sets a policy of reducing shares by selling them, of which holding is thought to be of smaller significance for the Group as a result of such examination. Based on the policy, the Company sold 8 stocks (388 million yen) that it had owned in the fiscal year 2022.

We aim to reduce the balance of strategic shareholdings by 50% by the end of March 2025 from the end of March 2023 from a perspective of improving capital efficiency and cash flows. We also aim to reduce the ratio of strategic shareholdings to net assets on a consolidated basis to 20% or less as soon as possible and eventually to 10% or less in the future.

The Company does not own deemed shareholdings.

End