

Disclaimer

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Securities Code: 1893

June 5, 2023

(Date of Commencement of Measures for Electronic Provision: May 31, 2023)

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 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We are pleased to inform that the 73rd Ordinary General Meeting of Shareholders of the Penta-Ocean Construction Co., Ltd. (hereinafter referred to as “Company”) will be held as described below.

In convening this Ordinary General Meeting of Shareholders, the Company has taken measures for electronic provision of information, and posted matters to be provided electronically as “NOTICE OF CONVOCATION OF THE 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS” on the following Company’s website.

The Company’s website:

<https://www.penta-ocean.co.jp/english/index.html>

In addition to the Company’s website, the information is also posted on the Tokyo Stock Exchange’s website. Please access the following website (Listed Company Search on the Tokyo Stock Exchange’s website), and input and search the Issue name (PENTA-OCEAN CONSTRUCTION CO.,LTD.) or Code (1893), and select [Basic information] and then [Documents for public inspection/PR information].

Listed Company Search on the Tokyo Stock Exchange’s website:

<https://www2.jpx.co.jp/tseHpFront/JJK020020Action.do?Show=Show>

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 (or posted as the matters to be provided electronically on the above websites) and exercise your voting rights in the manner described hereinafter no later than 5:00 p.m., Japan Standard Time (JST) on Monday, June 26, 2023.

1. **Date and Time:** Tuesday, June 27, 2023 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 73rd Fiscal Year (from April 1, 2022, to March 31, 2023).
 2. The Non-consolidated Financial Statements for the 73rd Fiscal Year (from April 1, 2022, to March 31, 2023).

Proposals to be resolved:

Proposal No. 1: Appropriation of Retained Earnings

Proposal No. 2: Election of Ten (10) Members of the Board

Should the matters to be provided electronically require any revisions, the revised version will be posted on the above websites.

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, available only in Japanese), 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.

Voting Rights Exercise Website

https://soukai.mizuho-tb.co.jp/

- (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 Monday, June 26, 2023. 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 Ordinary 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
¥24 per common stock of the Company
¥6,859,261,824 in total
 - (3) Effective date of dividend payment
June 28, 2023


Proposal No. 2: Election of Ten (10) Members of the Board



The term of office of all ten (10) 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.


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>Reappointment</u> Osamu Hidaka	Managing Executive Officer, Member of the Board	100% (18 meetings out of 18 meetings)
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% (23 meetings out of 23 meetings)
10	<u>Reappointment</u> <u>Female</u> Mina Sekiguchi	<u>Candidate for Outside Member of the Board</u> <u>Candidate for Independent Member of the Board</u>	94% (17 meetings out of 18 meetings)


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 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) 	78,000 shares


Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
2	 <p data-bbox="316 869 510 974">Kazuya Ueda (August 2, 1958) <u>Reappointment</u></p>	<p data-bbox="561 253 1252 992"> 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="550 1025 1252 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>	34,900 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>	32,600 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>	27,900 shares


Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
5	 <p data-bbox="293 898 534 965">Tomoyuki Yamashita (December 4, 1962)</p> <p data-bbox="325 972 502 1003"><u>Reappointment</u></p>	<p data-bbox="560 253 1257 1055"> April 1986 Joined the Company April 2017 Appointed as Executive Officer, General Manager, Head of Human Resources Division, Corporate Administration Divisions Group General Manager, Head of General Affairs Division April 2018 Appointed as Executive Officer, Head of Corporate Administration Divisions Group General Manager, Head of General Affairs Division Head of CSR Planning Office June 2018 Appointed as Executive Officer, Member of the Board, same as above April 2019 Appointed as Managing Executive Officer, Member of the Board, same as above 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 July 2022 Appointed as Senior Managing Executive Officer, Member of the Board, Head of Corporate Administration Divisions Group (to the present) </p> <p data-bbox="552 1088 1257 1149"> ■ 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 data-bbox="552 1312 1257 1370"> ■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings) </p>	29,000 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
6	 <p>Osamu Hidaka (September 21, 1964) <u>Reappointment</u></p>	<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</p> <p>June 2022 Appointed as Executive Officer, Member of the Board, same as above</p> <p>April 2023 Appointed as Managing Executive Officer, Member of the Board, same as above (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 29 years. The Company believes that he can 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% (18 meetings out of 18 meetings)</p>	5,600 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
7	 <p data-bbox="290 1048 539 1120">Yasuhiro Kawashima (August 18, 1944)</p> <p data-bbox="325 1120 504 1155">Reappointment</p> <p data-bbox="363 1155 466 1191">Outside</p> <p data-bbox="341 1191 488 1227">Independent</p>	<p data-bbox="558 250 1257 340">April 1969 Joined Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism)</p> <p data-bbox="558 349 1257 407">June 1998 Appointed as Bureau Manager, Ports and Harbours Bureau</p> <p data-bbox="558 416 1257 474">June 2000 Appointed as Minister's Secretariat, Deputy Minister for Technical Affairs</p> <p data-bbox="558 483 1257 573">January 2001 Appointed as Minister's Secretariat, Deputy Minister for Technical Affairs, Ministry of Land, Infrastructure, Transport and Tourism</p> <p data-bbox="558 582 1257 698">July 2001 Appointed as President, Service Center of Port Construction Engineering (currently Specialists Center of Port and Airport Engineering)</p> <p data-bbox="558 707 1257 797">March 2004 Appointed as Adviser, Nippon Steel Corporation (currently NIPPON STEEL CORPORATION)</p> <p data-bbox="558 806 1257 887">May 2005 Appointed as Chairman, FEDERATION OF JAPAN PORTS AND AIRPORTS CONSTRUCTION ASSOCIATION</p> <p data-bbox="558 896 1257 954">May 2006 Appointed as Chairman, Japan Marine Surveys Association (to the present)</p> <p data-bbox="558 963 1257 1052">July 2006 Appointed as Adviser, Nippon Steel Engineering Co., Ltd. (currently NIPPON STEEL ENGINEERING CO., LTD.)</p> <p data-bbox="558 1061 1257 1120">June 2016 Appointed as Outside Member of the Board, the Company (to the present)</p> <p data-bbox="552 1151 1257 1209"> <ul style="list-style-type: none"> ■ Status of important concurrent position Chairman, Japan Marine Surveys Association </p> <p data-bbox="552 1218 1257 1276"> <ul style="list-style-type: none"> ■ Reasons for selection as a candidate for Outside Member of the Board and overview of expected roles </p> <p data-bbox="558 1285 1257 1599">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="552 1608 1257 1666"> <ul style="list-style-type: none"> ■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings) </p> <p data-bbox="552 1675 1257 1733"> <ul style="list-style-type: none"> ■ Years served as Member of the Board at the close of this General Meeting of Shareholders </p> <p data-bbox="558 1742 699 1756">Seven years</p>	10,700 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)</p> <p>Reappointment Outside Independent</p>	<p>November 1977 Joined Musashi Audit Corporation (currently Ernst & Young ShinNihon LLC)</p> <p>August 1982 Registered as a certified public accountant</p> <p>August 1991 Representative Partner, Century Audit Corporation (currently Ernst & Young ShinNihon LLC)</p> <p>June 2006 Appointed as Executive Director, Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>August 2008 Appointed as Senior Executive Board Member, Ernst & 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 & Young ShinNihon LLC</p> <p>June 2014 Resigned from Ernst & 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"> ■ Status of important concurrent position Outside Auditor, VALQUA, LTD. ■ 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. ■ Special notes on the candidate for Outside Member of the Board Although Mr. Hidenori Takahashi had been engaged in the business execution of Ernst & Young ShinNihon LLC, the Accounting Auditor of the Company, it has been approximately nine 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. ■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings) ■ Years served as Member of the Board at the close of this General Meeting of Shareholders Six years 	10,600 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
9	 <p data-bbox="292 1064 534 1131">Hokuto Nakano (December 22, 1959)</p> <p data-bbox="323 1137 502 1171">Reappointment</p> <p data-bbox="363 1178 462 1211">Outside</p> <p data-bbox="339 1218 486 1252">Independent</p>	<p data-bbox="561 253 1264 862"> April 1983 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) April 2010 Appointed as Executive Officer, General Manager of Forex Division, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) October 2015 Appointed as Managing Executive Officer, Head of East Asia, Mizuho Financial Group, Inc. April 2016 Appointed as Managing Executive Officer, Joint Head of Global Markets Division, Mizuho Securities Co., Ltd. March 2018 Appointed as Director, ASICS Corporation March 2020 Appointed as Managing Executive Officer, same as above March 2021 Appointed as Outside Director, Nippon Denko Co., Ltd. (to the present) June 2021 Appointed as Outside Member of the Board, the Company (to the present) </p> <ul style="list-style-type: none"> <li data-bbox="561 896 1045 958">■ Status of important concurrent position Outside Director, Nippon Denko Co., Ltd. <li data-bbox="561 963 1252 1025">■ 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. <li data-bbox="561 1030 1264 1272">■ 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 seven 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 June 2021. Due to the above, the Company has judged that there will be no effect on his independence. <li data-bbox="561 1276 1228 1339">■ Attendance at the board meetings during the fiscal year 100% (23 meetings out of 23 meetings) <li data-bbox="561 1344 1244 1406">■ Years served as Member of the Board at the close of this General Meeting of Shareholders Two years 	0 shares

Candidate No.	Name (Date of birth)	Career summary, positions, and assignments	Number of shares of the Company held
10	 <p data-bbox="308 1003 520 1070">Mina Sekiguchi (August 15, 1963)</p> <p data-bbox="323 1077 504 1111">Reappointment</p> <p data-bbox="363 1122 464 1155">Outside</p> <p data-bbox="339 1167 488 1200">Independent</p> <p data-bbox="363 1211 464 1245">Female</p>	<p data-bbox="560 248 1257 1021"> April 1993 Joined Arthur Andersen, Dallas Office September 1996 Transferred to Asahi & Co. (Arthur Andersen Japan, currently KPMG AZSA LLC) July 1999 Transferred to Global Management Directions Limited (Asahi & Co. subsidiary specializing in M&A) July 2006 Transferred to KPMG FAS Co. (KPMG AZSA LLC subsidiary specializing in M&A) July 2012 Appointed as Head of Energy & Infrastructure, KPMG Japan, Managing Director, KPMG AZSA LLC July 2013 Appointed as Head of Energy & Natural Resources, KPMG Asia Pacific Region September 2020 Appointed to lead Climate Change and Decarbonization Advisory Service of KPMG Sustainable Value Service June 2022 Appointed as Outside Member of the Board, the Company (to the present) September 2022 Appointed as Part-time Executive Director, National Research and Development Institute Japan Atomic Energy Agency (to the present) </p> <p data-bbox="552 1043 1257 1200"> ■ Status of important concurrent position Part-time Executive Director, National Research and Development Institute Japan Atomic Energy Agency Outside Audit & Supervisory Board Member, YKK AP Inc. (to be appointed on June 8, 2023) </p> <p data-bbox="552 1205 1257 1552"> ■ 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> <p data-bbox="552 1556 1257 1619"> ■ Attendance at the board meetings during the fiscal year 94% (17 meetings out of 18 meetings) </p> <p data-bbox="552 1624 1257 1713"> ■ Years served as Member of the Board at the close of this General Meeting of Shareholders One year </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. 2 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 30, 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, Mr. Hokuto Nakano, and Ms. Mina Sekiguchi are Independent Members of the Board according to the standards defined by securities exchanges, and should their election be approved as proposed, the Company plans for them to be Independent Members of the Board. 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 Members of the Board defined by the Company are provided on page 17.
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 33 in the Japanese version of this document.

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

		Expertise and experience of Members of the Board and Audit and Supervisory Board Members						
	Name	Corporate management	Technology /IT	Sales /Business strategy	Finance /Accounting	Legal affairs /Risk management	CSR /Sustainability	Global
Members of the Board	Takuzo Shimizu							
	Kazuya Ueda							
	Tetsushi Noguchi							
	Hiroshi Watanabe							
	Tomoyuki Yamashita							
	Osamu Hidaka							
	Yasuhiro Kawashima	Outside						
	Hidenori Takahashi	Outside						
	Hokuto Nakano	Outside						
	Mina Sekiguchi	Outside Female						
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 and 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 were 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 a 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)