

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 1805  
June 4, 2020

To our shareholders:

Masahiro Norikyo  
President and Representative Director  
**TOBISHIMA CORPORATION**  
1-8-15 Konan, Minato-ku, Tokyo

## Notice of the 77th Annual General Meeting of Shareholders

We are pleased to announce the convocation of the 77th Annual General Meeting of Shareholders of TOBISHIMA CORPORATION (the “Company”), which will be held as indicated below.

Furthermore, in order to prevent the spread of the novel coronavirus disease (COVID-19), we would like to ask you to refrain from attending in person on the day of the General Meeting of Shareholders.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights in writing or via the Internet in advance by following the instructions on the next page, no later than 5:30 p.m. on Thursday, June 25, 2020 (JST).

**1. Date and Time:** Friday, June 26, 2020, at 10:00 a.m. (JST) (Reception starts at 9:00 a.m. (JST))

**2. Venue:** KSP Hall, West Wing 3rd Floor, Kanagawa Science Park (KSP)  
3-2-1 Sakado, Takatsuku, Kawasaki City, Kanagawa

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 77th fiscal year (April 1, 2019 to March 31, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-Consolidated Financial Statements for the 77th fiscal year (April 1, 2019 to March 31, 2020)

#### Matters to be resolved:

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus                                    |
| <b>Proposal No. 2</b> | Election of Eight Directors                                 |
| <b>Proposal No. 3</b> | Election of Three Audit & Supervisory Board Members         |
| <b>Proposal No. 4</b> | Election of One Substitute Audit & Supervisory Board Member |

Among the documents to be provided to this notice, the items listed below are published on the Company website (<https://www.tobishima.co.jp/> (in Japanese only)) based on laws and regulations as well as the stipulations in the Company’s Articles of Incorporation.

- (1) “V. Status of implementation of systems and relevant programs to ensure that Directors perform their duties in compliance with relevant laws, regulations and the Articles of Incorporation, and other systems to ensure properness of operations” of the Business Report
  - (2) “Notes to Consolidated Financial Statements” and “Consolidated Statement of Changes in Equity” of the Consolidated Financial Statements
  - (3) “Notes to Financial Statements” and “Statement of Changes in Equity” of the Non-Consolidated Financial Statements
- Item (1) above is a part of the Business Report that was audited by the Audit & Supervisory Board Members in preparing the audit report. Item (2) and Item (3) above are part of the Consolidated and Non-Consolidated Financial Statements that were audited by the Financial Auditor and Audit & Supervisory Board Members in preparing the audit report.

If any revisions are made to the Reference Documents for General Meeting of Shareholders and Business Report as well as the Consolidated and Non-Consolidated Financial Statements, the revised items will be published on the Company website (<https://www.tobishima.co.jp/>).

## **Instructions on Exercising Your Voting Rights**

Voting rights at the General Meeting of Shareholders is an important right of every shareholder.

Please exercise your voting rights by either of the following methods after reviewing the Reference Documents for the General Meeting of Shareholders (page 4 to 15)

### **Attending the General Meeting of Shareholders in Person**

Please submit the enclosed voting form at the venue reception. (A seal is not required.)

### **Voting in Writing (by Mail)**

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form without postage to the Company by postal mail.

Voting Deadline          Voting forms must arrive no later than Thursday, June 25, 2020, at 5:30 p.m. (JST).

Instructions on filling out the voting form

Please indicate your approval or disapproval of each proposal.

Proposal No. 1 and No. 4

To approve the proposals, put a circle in the approval box.

To disapprove the proposals, put a circle in the disapproval box.

Proposal No. 2 and No. 3

To approve the election of all candidates, put a circle in the approval box.

To disapprove the election of all candidates, put a circle in the disapproval box.

To disapprove of the election of some candidates, put a circle in the approval box and then write the numbers of the candidates to disapprove for election.

Handling of Shareholder Voting Rights

- If your approval or disapproval of a proposal is not indicated on the enclosed voting form, the vote will be deemed an indication of approval.
- If voting rights are exercised both in writing (by postal mail) and via the Internet, the votes cast via the Internet will be treated as the valid vote. If voting rights are exercised more than once via the Internet, the last votes cast will be treated as valid.

## Voting via the Internet

Please follow the instructions included below to indicate your approval or disapproval of each proposal.

Voting Deadline      Votes must be cast no later than Thursday, June 25, 2020, at 5:30 p.m. (JST).

### Scanning the QR code (“Smart Vote”)

You can log into the website to exercise your voting rights without entering the voting code or password.

1. Please scan the QR code located on the bottom-right of the voting form.  
\* “QR code” is the registered trademark of DENSO WAVE INCORPORATED.
2. Please follow the instructions on the screen to indicate your approval or disapproval.

### Entering the Voting code and Password

Website to exercise voting rights:  
<https://soukai.mizuho-tb.co.jp/>

1. Please access the website to exercise voting rights.
2. Please enter the voting code printed on the voting form.
3. Please enter the password printed on the voting form.
4. Please follow the instructions on the screen to indicate your approval or disapproval.

The exercise of voting right by “Smart Vote” is available only once.  
If you would like to change your vote after exercising your voting rights, please access the website for PC and login by entering the voting code and password printed on the voting form, and exercise your voting rights again.

\* You can access the website for PC by scanning the QR code again.

Please contact the Internet Help Dial on the right if you have any questions on how to exercise your voting rights via the Internet using a personal computer, smartphone, mobile phone.

Internet Help Dial, Stock Transfer Agency  
Department, Mizuho Trust & Banking Co., Ltd.  
0120-768-524 (toll free)  
(Open weekdays from 9:00 a.m. to 9:00 p.m. (JST))

### Electronic Voting Platform

Institutional Investors may use the electronic voting platform operated by Investor Communications Japan, Inc. if the institutional investor has applied to use said platform in advance.

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company regards the stable profit return to its shareholders and enhancement of internal reserves to strengthen the business structure as a basic policy to pay dividends while giving consideration to the business performance and the business environment.

In line with this basic policy, the Company proposes to pay a year-end dividend for the fiscal year of ¥50 per share.

#### Year-end dividends

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and their aggregate amount  
¥50 per common share of the Company  
Total dividends: ¥961,961,650
- (3) Effective date of dividends of surplus  
June 29, 2020

**Proposal No. 2** Election of Eight Directors

At the conclusion of this meeting, the terms of office of all eight Directors will expire. Therefore, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

	Name		Position and responsibility in the Company	Attendance status at Board of Directors Meetings	Tenure
1	Masahiro Norikyo	Reelection	President, Representative Director and Chief Executive Officer	100% (11/11)	8 years
2	Yasuo Terashima	Reelection	Director and Executive Vice-President, Chief of Corporate Administration Division, and in charge of compliance	100% (11/11)	6 years
3	Seiichi Okuyama	New election	Advisor	- % (-/-)	-
4	Takuji Arao	Reelection	Director and Senior Managing Executive Officer, Chief of Building Construction Division, and in charge of quality	100% (9/9)	1 year
5	Shinichiro Sato	Reelection	Director and Senior Managing Executive Officer, Chief of Civil Engineering Division	100% (9/9)	1 year
6	Mitsuhiko Takahashi	New election	Senior Managing Executive Officer, Chief of Corporate Planning Division	- % (-/-)	-
7	Takashi Aihara	Reelection Independent Officer Outside Director	Outside Director	100% (11/11)	2 years
8	Michiko Matsuda	Reelection Independent Officer Outside Director	Outside Director	100% (9/9)	1 year

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p data-bbox="347 383 528 443">Masahiro Norikyo (April 4, 1955)</p> <p data-bbox="347 479 528 539">Tenure as Director 8 years</p> <p data-bbox="312 544 563 604">*At the conclusion of this meeting</p> <p data-bbox="288 640 587 730">Attendance status at Board of Directors Meetings in FY2019 11/11</p> <p data-bbox="376 797 499 826">[Reelection]</p>	<p data-bbox="612 264 715 293">Apr. 1980</p> <p data-bbox="612 297 715 327">May 2012</p> <p data-bbox="612 362 715 392">June 2012</p> <p data-bbox="612 427 715 456">Apr. 2014</p> <p data-bbox="612 524 715 553">June 2014</p> <p data-bbox="612 557 715 586">Apr. 2015</p> <p data-bbox="612 654 715 683">Apr. 2016</p> <p data-bbox="612 786 715 815">Apr. 2017</p> <p data-bbox="612 882 715 911">June 2017</p> <p data-bbox="772 264 1230 943">           Joined the Company            Executive Officer and Vice Chief of Construction Headquarters            Director and Executive Officer, and Vice Chief of Construction Headquarters            Director and Managing Executive Officer, Chief of Construction Headquarters, and in charge of earthquake-related restoration            Director of E&amp;CS Corporation            Director and Senior Managing Executive Officer, Chief of Civil Engineering Division, and in charge of earthquake-related restoration            Director and Executive Vice-President, and in charge of civil engineering, building construction and Research Institute of Technology            Representative Director and Executive Vice-President, and in charge of civil engineering and building construction            President, Representative Director and Chief Executive Officer (current position)         </p>	<p data-bbox="1318 591 1442 620">4,880 shares</p>
<p data-bbox="276 949 762 978">Reasons for nomination as candidate for Director:</p> <p data-bbox="276 983 1430 1104">Mr. Norikyo has managed the Board of Directors as President and Representative Director, and conducted delegated matters. The Company considers his management ability indispensable to continue evolving the Tobishima Group as the person leading the steady execution and progress of the five-year medium-term management plan since it started in fiscal 2019. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
2	<p>Yasuo Terashima (November 14, 1957)</p> <p>Tenure as Director 6 years *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2019 11/11</p> <p>[Reelection]</p>	Apr. 1980	Joined the Company	3,050 shares
		Apr. 2014	Executive Officer, Chief of Corporate Administration Division, and in charge of compliance	
		June 2014	Director and Executive Officer, Chief of Corporate Administration Division, and in charge of compliance	
		Apr. 2016	Director and Managing Executive Officer, Chief of Corporate Administration Division, and in charge of compliance	
		Apr. 2019	Director and Senior Managing Executive Officer, Chief of Corporate Administration Division, and in charge of compliance	
		Apr. 2020	Director and Executive Vice-President, Chief of Corporate Administration Division, and in charge of compliance (current position)	
<p>Reasons for nomination as candidate for Director: Mr. Terashima has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Director. In addition, he has not only led matters related to traditional management operations and compliance but also overall management from his broad perspective as an Executive Vice-President since fiscal 2020. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>				
3	<p>Seiichi Okuyama (February 12, 1965)</p> <p>Tenure as Director -</p> <p>*At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2019 -</p> <p>[New election]</p>	Apr. 1987	Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.)	0 shares
		Apr. 2007	Branch Manager, Shimizu Branch of Mizuho Bank, Ltd.	
		Apr. 2009	General Manager, Branch Department Unit No. 1 of Mizuho Bank, Ltd.	
		June 2011	General Manager, Gotanda Branch Department No. 2 of Mizuho Bank, Ltd.	
		July 2011	General Manager, Gotanda Branch and Gotanda Branch Department No. 1 of Mizuho Bank, Ltd.	
		Apr. 2013	General Manager, Nagoya-Chuo Branch of Mizuho Bank, Ltd.	
		Apr. 2015	General Manager, Yaesuguchi Branch Department No. 2 of Mizuho Bank, Ltd.	
		Apr. 2018	Executive Officer and General Manager, Tokyo-Chuo Branch Department No. 2 of Mizuho Bank, Ltd.	
		May 2020	Advisor of the Company (current position)	
<p>Reasons for nomination as candidate for Director: Mr. Okuyama has extensive experience primarily in the business field at a major financial institution, and the Company judges he will appropriately fulfill his duties in the decision-making of important corporate matters and supervision of business operations of the Company based on his broad perspective gained from his involvement in management as an Executive Officer since 2018. The Company has nominated him as a candidate for Director based on the above.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Takuji Arao (August 8, 1959)	Apr. 1983	Joined the Company	3,310 shares
	Tenure as Director 1 year *At the conclusion of this meeting	Apr. 2014	Executive Officer and General Manager of Tokyo Metropolitan Area Building Construction Branch	
	Attendance status at Board of Directors Meetings in FY2019 9/9	Apr. 2016	Managing Executive Officer and General Manager of Tokyo Metropolitan Area Building Construction Branch	
	[Reelection]	Apr. 2019	Managing Executive Officer, Chief of Building Construction Division, and in charge of quality	
		June 2019	Director and Managing Executive Officer, Chief of Building Construction Division, and in charge of quality	
		Apr. 2020	Director and Senior Managing Executive Officer, Chief of Building Construction Division, and in charge of quality (current position)	
Reasons for nomination as candidate for Director: Mr. Arao has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Director. Moreover, he has supervised the Building Construction Division as Senior Managing Executive Officer. He has also led the steady execution of the five-year medium-term management plan based on his extensive business experience and broad knowledge. The Company has nominated him as a candidate to continue serving as Director based on the above.				
5	Shinichiro Sato (February 12, 1959)	Apr. 1983	Joined the Company	1,880 shares
	Tenure as Director 1 year *At the conclusion of this meeting	Dec. 2012	Executive Officer and General Manager of International Operations Division	
	Attendance status at Board of Directors Meetings in FY2019 9/9	Apr. 2017	Managing Executive Officer and General Manager of International Operations Division	
	[Reelection]	Apr. 2019	Managing Executive Officer, Chief of Civil Engineering Division, and General Manager of International Operations Division	
		June 2019	Director and Managing Executive Officer, and Chief of Civil Engineering Division	
		Apr. 2020	Director and Senior Managing Executive Officer, and Chief of Civil Engineering Division (current position)	
Reasons for nomination as candidate for Director: Mr. Sato has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Director. Moreover, he has supervised the Civil Engineering Division as Senior Managing Executive Officer. He has also led the steady execution of the five-year medium-term management plan based on his extensive business experience and broad knowledge. The Company has nominated him as a candidate to continue serving as Director based on the above.				



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
6	Mitsuhiko Takahashi (June 1, 1961)	Apr. 1985	Joined the Company	1,950 shares
	Tenure as Director -	Oct. 2014	Executive Officer and Chief of Corporate Planning Office	
	*At the conclusion of this meeting	Apr. 2017	Executive Officer and Chief of Corporate Planning Division	
	Attendance status at Board of Directors Meetings in FY2019	Apr. 2019	Managing Executive Officer and Chief of Corporate Planning Division	
	-	Apr. 2020	Senior Managing Executive Officer and Chief of Corporate Planning Division (current position)	
	[New election]			
Reasons for nomination as candidate for Director: Since joining the Company, Mr. Takahashi has been engaged in a broad range of fields, such as general administration and corporate planning. He has contributed to the formulation of management plans and the steady execution of strategies based on his extensive experience and knowledge as the Chief of the Corporate Planning Division since fiscal 2017. He is leading and progressing execution of overall corporate strategy even in the five-year medium-term management plan, and the Company judges that he will utilize his skills to appropriately fulfill his duties in the decision-making of important corporate matters and supervision of business operations as Director. The Company has nominated him as a candidate for Director based on the above.				
7	Takashi Aihara (July 24, 1955)	Apr. 1979	Joined Osaka Gas, Co., Ltd.	700 shares
	Independent Officer Outside Director	June 2010	Director	
	Tenure as outside Director 2 years	Apr. 2014	President and Representative Director, Kinpai Co., Ltd.	
	*At the conclusion of this meeting	Apr. 2016	Advisor, Osaka Gas Housing & Equipment Co., Ltd.	
	Attendance status at Board of Directors Meetings in FY2019	June 2016	Audit & Supervisory Board Member of Osaka Gas Housing & Equipment Co., Ltd.	
	11/11	June 2018	Outside Director of the Company (current position)	
	[Reelection]			
Reasons for nomination as candidate for outside Director: Mr. Aihara is a candidate for outside Director. He has provided opinions on the corporate management of the Company from his broad perspective, which could not be gained as an internal director, as an executive and Audit & Supervisory Board Member since his appointment in fiscal 2018. The Company judges that he has appropriately fulfilled his duties in the execution of business operations. The Company has nominated him as a candidate to continue serving as outside Director based on the above.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<p data-bbox="347 421 528 479">Michiko Matsuda (August 21, 1955)</p> <p data-bbox="336 517 539 575">Independent Officer Outside Director</p> <p data-bbox="309 613 566 672">Tenure as outside Director 1 year</p> <p data-bbox="309 678 566 736">*At the conclusion of this meeting</p> <p data-bbox="288 775 587 860">Attendance status at Board of Directors Meetings in FY2019 9/9</p> <p data-bbox="376 931 499 958">[Reelection]</p>	<p data-bbox="612 266 1206 324">Apr. 1980      Joined Aiko Girls Juvenile Detention Center (Tokyo), Ministry of Justice</p> <p data-bbox="612 331 1227 389">Apr. 2005      Administrative Director, Shimei Girls Juvenile Detention Center (Hokkaido)</p> <p data-bbox="612 396 1182 454">Apr. 2007      Administrative Director, Kifunehara Girls Juvenile Detention Center (Hiroshima)</p> <p data-bbox="612 461 1161 519">Apr. 2009      Administrative Director, Izumi Juvenile Detention Center (Osaka)</p> <p data-bbox="612 526 1235 611">Apr. 2011      General Manager of Department No. 3, Nagoya Regional Correction Headquarters, Ministry of Justice</p> <p data-bbox="612 618 1002 645">Apr. 2012      Warden, Tochigi Prison</p> <p data-bbox="612 651 1158 710">Apr. 2013      Administrative Director, Tama Juvenile Detention Center (Tokyo)</p> <p data-bbox="612 716 1206 775">Apr. 2015      District Superintendent, Tokyo Regional Correction Headquarters, Ministry of Justice</p> <p data-bbox="612 781 1166 840">Apr. 2016      Instructor, Correctional Training Center, Ministry of Justice</p> <p data-bbox="612 846 1198 940">May 2017      Manager, Correctional Research Office, Correctional Support Department, Japanese Correctional Association (current position)</p> <p data-bbox="612 947 1182 1005">June 2019      Outside Director of the Company (current position)</p> <p data-bbox="612 1012 1214 1106">Significant concurrent positions outside the Company: Manager, Correctional Research Office, Correctional Support Department, Japanese Correctional Association</p>	300 shares
<p data-bbox="277 1126 839 1153">Reasons for nomination as candidate for outside Director:</p> <p data-bbox="277 1160 746 1187">Ms. Matsuda is a candidate for outside Director.</p> <p data-bbox="277 1193 1444 1328">She has never been involved in the management of a company in the past except as an outside officer. However, since her appointment in fiscal 2019, she has provided opinions on the corporate management of the Company from her extensive experience in education over many years and a wealth of knowledge, which could not be gained as an internal director. She is appropriately fulfilling her duties, such as the supervision of business execution. The Company has nominated her as a candidate to continue serving as outside Director based on the above.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Pursuant to the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Takashi Aihara and Michiko Matsuda to limit their liability for damages under Article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages, if they have acted in good faith and without gross negligence in performing their duties, is the minimum liability amount provided for by laws and regulations. If the reelection of Takashi Aihara and Michiko Matsuda is approved, the Company plans to renew the aforementioned agreements with them.
  3. Takashi Aihara and Michiko Matsuda satisfy the Independence Standards for Outside Officers defined by the Company, and the Company has therefore submitted notification to Tokyo Stock Exchange, Inc. that they have been appointed as independent officers as provided for by the aforementioned exchange.

**Proposal No. 3** Election of Three Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members Fumiko Kosao and Izuru Goto will expire at the conclusion of this meeting. Audit & Supervisory Board Member Hiroshi Matsushima will also resign at the conclusion of this meeting. Therefore, the Company proposes the election of three Audit & Supervisory Board Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Hiroshi Ito (April 20, 1960)  Tenure as Audit & Supervisory Board Member - *At the conclusion of this meeting  Attendance status at Board of Directors Meetings in FY2019 -  Attendance status at Audit & Supervisory Board Meetings in FY2019 -  [New election]	Apr. 1985      Joined the Company Apr. 2008      Manager, J-SOX Promotion Office of Management & Administration Division Apr. 2010      General Manager of Finance Department, Management & Administration Division July 2011      General Manager of Accounting Department, Management & Administration Division May 2020      Vice Chief of Corporate Administration Division (current position)	1,800 shares
Reasons for nomination as candidate for Audit & Supervisory Board Member: Mr. Ito has experience in a broad range of business, such as the general administration, accounting, and finance of the Company over many years and possess sufficient knowledge in finance and accounting. The Company judges that he will sufficiently fulfill his duty in strengthening its audit system. The Company has nominated him as a candidate for Audit & Supervisory Board Member based on the above.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p>Toshiya Natori (December 17, 1963)</p> <p>Independent Officer Outside Audit &amp; Supervisory Board Member</p> <p>Tenure as Audit &amp; Supervisory Board Member</p> <p>-</p> <p>*At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2019</p> <p>-</p> <p>Attendance status at Audit &amp; Supervisory Board Meetings in FY2019</p> <p>-</p> <p>[New election]</p>	<p>July 2006 Tokyo District Public Prosecutor (Criminal Affairs Division)</p> <p>July 2010 Deputy Manager, Criminal Affairs Division of Tokyo District Public Prosecutors Office</p> <p>Apr. 2011 Director, Public Security Division, Criminal Affairs Bureau of Ministry of Justice</p> <p>Jan. 2012 Director, Criminal Affairs Division, Criminal Affairs Bureau of Ministry of Justice</p> <p>Dec. 2012 Director, Secretarial Division, Minister's Secretariat of Ministry of Justice</p> <p>Jan. 2015 Prosecutor of Supreme Public Prosecutors Office</p> <p>July 2015 Chief Prosecutor of the Morioka District Public Prosecutors Office</p> <p>Aug. 2016 Registered as an attorney at law (Daiichi Tokyo Bar Association), joined Oh-Ebashi LPC &amp; Partners</p> <p>Mar. 2020 Joined Natori Law Office (current position)</p> <p>Significant concurrent positions outside the Company: Attorney at law of Natori Law Office</p>	0 shares
<p>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member:</p> <p>Mr. Natori has never been involved in the management of a company in the past. However, he has extensive experience and a broad range of knowledge as a prosecutor, who is a representative of public interests. He also has sufficient knowledge related to corporate law and corporate accounting as an attorney at law. The Company judges that he will sufficiently fulfill his duty in strengthening its audit system based on his considerable and highly specialized knowledge. The Company has nominated him as a candidate for outside Audit &amp; Supervisory Board Member based on the above.</p>			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Aki Nakanishi (October 28, 1960)</p> <p>Independent Officer Outside Audit &amp; Supervisory Board Member</p> <p>Tenure as Audit &amp; Supervisory Board Member -</p> <p>*At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2019 -</p> <p>Attendance status at Audit &amp; Supervisory Board Meetings in FY2019 -</p> <p>[New election]</p>	<p>Apr. 2007 Professor, School of Business Administration of Meiji University (current position)</p> <p>Apr. 2015 Principal Researcher, Research Center for Science Systems of the Japan Society for the Promotion of Science</p> <p>Apr. 2015 Visiting Professor, The Graduate School for the Creation of New Photonics Industries (current position)</p> <p>Apr. 2016 Part-time instructor, Faculty of Maritime Sciences of Kobe University</p> <p>Feb. 2020 Trustee of Meiji University (current position)</p> <p>Significant concurrent positions outside the Company: Professor, School of Business Administration of Meiji University Visiting Professor, The Graduate School for the Creation of New Photonics Industries Trustee of Meiji University</p>	0 shares
<p>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member: Ms. Nakanishi has never been involved in the management of a company in the past. However, she has a broad range of insight as an expert in business administration and sufficient knowledge related to finance and accounting. The Company judges that she will sufficiently fulfill her duties in strengthening its audit system based on her considerable and highly specialized knowledge in the information security field. The Company has nominated her as a candidate for outside Audit &amp; Supervisory Board Member based on the above.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. If the election of Toshiya Natori and Aki Nakanishi is approved, pursuant to the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with them to limit their liability for damages under Article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages, if they have acted in good faith and without gross negligence in performing their duties, is the minimum liability amount provided for by laws and regulations.
  3. Toshiya Natori and Aki Nakanishi satisfy the Independence Standards for Outside Officers defined by the Company, and the Company therefore plans to submit notification to Tokyo Stock Exchange, Inc. that they have been appointed as independent officers as provided for by the aforementioned exchange.

**Proposal No. 4** Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members (including outside Audit & Supervisory Board Member) fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Hirotaka Kobayashi (September 6, 1957)	Apr. 1988 Appointed prosecutor Apr. 1994 Registered as attorney at law (Tokyo Bar Association) Apr. 1995 Joined Hikari Sogoh Law Offices (current position) Significant concurrent positions outside the Company: Attorney at Law of Hikari Sogoh Law Offices	0 shares
Reasons for nomination as candidate for substitute outside Audit & Supervisory Board Member: Mr. Kobayashi is a candidate for substitute outside Audit & Supervisory Board Member. He has never been involved in the management of a company in the past. However, the Company proposes his election as substitute outside Audit & Supervisory Board Member so that his considerable and highly specialized knowledge related to corporate law as an attorney at law may be utilized in the audit system of the Company.		

- Notes:
1. There is no special interest between the candidate and the Company.
  2. If Hirotaka Kobayashi assumes the office of Audit & Supervisory Board Member, pursuant to the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for by laws and regulations.
  3. Hirotaka Kobayashi satisfies the Independence Standards for Outside Officers defined by the Company, and the Company therefore plans to submit notification to Tokyo Stock Exchange, Inc. concerning his appointment as an independent officer as provided for by the aforementioned exchange.

## [Reference]

### [Independence Criteria for Outside Officers]

The Company has defined the following independence standards for outside directors and outside audit & supervisory board members (hereinafter collectively referred to as “outside officers”) or outside officer candidates. If the Company determines none of these items apply to an independent officer or outside officer candidate as a result of an investigation within its means, the Company judges the candidate has independence.

- (1) A party who executes business for the Company or its affiliates (hereinafter collectively referred to as the “Company Group”)
- (2) A party for whom the Company Group is a primary client or a person who executes business of said party
- (3) A party who is the primary client of the Company Group or a person who executes business of said party
- (4) A major shareholder holding 10% or more of the Company’s voting rights directly or indirectly or a person who executes business of said shareholder
- (5) A party the Company holds 10% or more voting rights directly or indirectly or a person who executes business of said party
- (6) A consultant, certified public accountant, attorney at law, or other expert professional who earns money or assets in excess of ¥10 million annually other than the officer remuneration from the Company Group (if the party earning said assets is a corporation, union or other such organization, a person belonging to said organization who the assets earned from the Company exceeds 2% of annual income)
- (7) A party who has received donations or grants of money or other assets from the Company Group in excess of ¥10 million annually. Moreover, if said party is a corporation, union or other organization, a person who belongs to said organization
- (8) If an executive director or a standing audit & supervisory board member of the Company Group is appointed an outside officer of another company, a party who is an executive director, an executive officer, an operating officer, a manager or an employee of said other company
- (9) A person who has fallen under any of the above items (2) through (8) in the past three years, or their spouse or relative within the second degree
- (10) Spouse or relative within the second degree of a director, audit & supervisory board member, executive officer or general manager or above of the Company Group
- (11) A party who cannot fulfill their duties as an independent outside officer due to special circumstances other than items (1) through (10)

- Notes:
1. A “party who executes business” refers to a person who is a director, executive officer, operating officer, employee who executes business, an associate director or a person or employee who works for a corporation or other organization as well as a person who has belonged to the Company Group even once in the past.
  2. A “party for whom the Company Group is a primary client” refers to a party who received payment from the Company in excess of 2% of its consolidated net sales in the previous fiscal year.
  3. A “party who is the primary client of the Company Group” refers to a party who provided payment to the Company in excess of 2% of the Company’s consolidated net sales in the previous fiscal year.