

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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 1821)
June 7, 2021

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 18th 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 consideration of the current situation regarding the COVID-19 outbreak, we have decided to hold this General Meeting of Shareholders after implementing an appropriate selection of preventive measures against infection.

However, from the viewpoint of preventing the spread of infection, we strongly request that you exercise your voting rights in advance, in writing or via the Internet, etc. and refrain from attending the meeting in person.

If you agree to exercise your voting rights in advance, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Monday, June 28, 2021, Japan time.

- 1. Date and Time:** Tuesday, June 29, 2021 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, the Consolidated Financial Statements for the Company’s 18th Fiscal Year (April 1, 2020 - March 31, 2021) 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 18th Fiscal Year (April 1, 2020 - March 31, 2021)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 10 Directors

- As the following documents 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 Appendix of this Notice of the Annual General Meeting of 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
Therefore, the Appendix of this Notice of the Annual General Meeting of Shareholders were part of the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and Accounting Auditor when they prepared the audit report.
- Should the Reference Documents for the General Meeting of Shareholders and the Appendix (the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements) require revisions, the revised versions will be posted on the Company's website.
- The Company's website: <https://www.smcon.co.jp>.

- **Requests to Shareholders Regarding Measures to Prevent the Spread of COVID-19**
- ① From the viewpoint of preventing the spread of infection, we strongly request that you exercise your voting rights in advance, in writing or via the Internet, etc. and refrain from attending the meeting in person.
- ② If you plan to attend the meeting, please bring a face mask to wear.
- ③ The following infection prevention measures will be implemented at the reception desk upon entry, so we kindly ask for your understanding and cooperation. Please note that we will refuse entry to those who do not cooperate with the preventive measures.
 - 1) Provision of alcohol-based disinfectant
 - 2) Wearing face masks
 - 3) Checking temperatures
- ④ 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.
- ⑤ In order to prevent the spread of infection, the distance between seats will be increased, and thereby the seating capacity will be greatly reduced compared to previous years. Therefore, we ask that you please note that you may be refused entry even if you are present at the venue on the day of the meeting.
- ⑥ From the viewpoint of preventing the spread of infection, the meeting will be shortened and detailed explanations of matters to be reported (including the audit report) and proposals to be resolved will be omitted. We recommend you review the selection of documents related to the General Meeting of Shareholders provided in this notice and posted on the Company's website in advance.
- ⑦ 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, including the measures mentioned above, 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>.

Instructions on Exercising Voting Rights

If Attending the General Meeting of Shareholders

Date and time of the Meeting: Tuesday, June 29, 2021, at 10:00 a.m.

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: Monday, June 28, 2021, 5:45 p.m.

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 financial contents, business results, and future management initiatives, etc., for the 18th fiscal year, for year-end dividends for the 18th fiscal year, the Company proposes the following.

(1) Dividend asset type

Cash

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

Based on comprehensively taking into consideration the achievement of performance of the 18th fiscal year, and the future business environments and earnings outlooks, the Company proposes a year-end dividend of 18 yen per share.

In this case, the total amount of dividend will be 2,828,910,906 yen.

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

June 30, 2021

Proposal 2: Election of 10 Directors

The terms of office of all Directors (9 persons) will expire at the end of this Annual General Meeting of Shareholders. In this regard, we have decided to increase the number of Directors by one (1) to further strengthen the Company's management structure. Accordingly, the election of ten (10) Directors is proposed.

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. The candidates are determined at the Board of Directors upon consideration of the results of deliberations at the Nomination and Compensation Advisory Committee, which serves as advisory bodies to the Board of Directors.

Furthermore, if this Proposal is approved as proposed and the candidates assume the positions of Directors, seven (7) of the total number of fifteen (15) Directors and Audit & Supervisory Board Members shall be Independent Directors or Independent Auditors as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

No.		Name		Position	Responsibilities	Attendance at Board of Directors Meetings
1	Reappointment	Hideo Arai		Representative Director, Chairman		17 out of 17 times (100%)
2	Reappointment	Shigetoshi Kondo		Representative Director, President		17 out of 17 times (100%)
3	Reappointment	Shoji Kimijima		Representative Director, Executive Vice President	In charge of Business Innovation & Incubation Division, Global Division and Administration Division Division Director, Audit Department and Secretariat	17 out of 17 times (100%)
4	Reappointment	Yoshitaka Mimori		Representative Director, Executive Vice President	Division Director, Building Construction Division	17 out of 17 times (100%)
5	New Candidate	Takeshi Sagara		Senior Managing Executive Officer	Chief Officer, Safety, Environment & Production Management Division Chief Officer, DX Promotion	—
6	Reappointment	Toshio Shibata		Director Managing Executive Officer	Division Director, Civil Engineering Division	13 out of 13 times (100%)
7	Reappointment	Sakio Sasamoto	Outside Independent Director	Director		17 out of 17 times (100%)
8	Reappointment	Jun Sugie	Outside Independent Director	Director		17 out of 17 times (100%)
9	Reappointment	Tamao Hosokawa	Outside Independent Director	Director		17 out of 17 times (100%)
10	New Candidate	Tsukasa Kawada	Outside Independent Director			—

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
1	Hideo Arai (January 11, 1955) [Reappointment] Attendance at Board of Directors Meetings during fiscal 2020: 17 out of 17 times (100%)	April 1977 July 2001 April 2003 April 2010 April 2011 April 2012 June 2012 April 2013 April 2015 April 2021	Joined Sumitomo Construction Co., Ltd. General Manager, Technical Consulting Department, Civil Engineering Administration Department, Civil Engineering Division General Manager, Civil Engineering Technical Consulting Department, Civil Engineering Administration Department, Civil Engineering Business Division of the Company Executive Officer General Manager, Tokyo Civil Engineering Branch Managing Executive Officer Division Director, Civil Engineering Division Director Senior Managing Executive Officer Representative Director, President Representative Director, Chairman (to present)	65,933
		<p>Reasons for selection as a candidate for Director</p> <p>Since joining the Company, Mr. Hideo Arai has accumulated a wealth of experience from serving important posts in the civil engineering section. During his tenure as President, he successfully achieved expected goals, enhanced the Company's capital base and ensured continuous return to shareholders. After taking up the post of Chairman, he has been working with his successor Mr. Shigetoshi Kondo, current 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.</p>		
2	Shigetoshi Kondo (December 24, 1965) [Reappointment] Attendance at Board of Directors Meetings during fiscal 2020: 17 out of 17 times (100%)	April 1988 April 2010 April 2013 April 2015 April 2017 April 2018 April 2019 June 2019 April 2020 April 2021	Joined The Sumitomo Bank, Limited Senior Credit Officer, Credit Dept.1, Middle Market Banking Unit, Sumitomo Mitsui Banking Corporation Deputy General Manager, Asakusabashi Corporate Business Office General Manager, Nagoya Corporate Solution Center General Manager, Strategic Corporate Business Dept. Senior General Manager Senior Manager, Corporate Planning Department and Affiliated Business Department of the Company Managing Executive Officer General Manager, Corporate Planning Department Senior Managing Executive Officer Director Division Director, Corporate Planning Division Representative Director (to present), President (to present)	30,257
		<p>Reasons for selection as a candidate for Director</p> <p>Besides possessing a wealth of experience in the area of management analysis, business decision making, etc. accumulated through his banking career, Mr. Shigetoshi Kondo has adequately fulfilled his responsibilities as Division Director of Corporate Planning Division, and is currently working with Mr. Hideo Arai, 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.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Shoji Kimijima (July 29, 1955) [Reappointment] Attendance at Board of Directors Meetings during fiscal 2020: 17 out of 17 times (100%)	April 1979	Joined Sumitomo Construction Co., Ltd.	44,572
		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 2012	Division Director, Secretariat (to present)			
April 2013	Managing Executive Officer			
June 2013	Division Director, Administration Division			
April 2016	Director			
April 2019	Senior Managing Executive Officer			
October 2019	Representative Director (to present)			
April 2021	Executive Vice President (to present)			
<p>Reasons for selection as a candidate for Director</p> <p>Since joining the Company, Mr. Shoji Kimijima has accumulated a wealth of experience from serving important posts in the corporate administration section, and currently, he is adequately fulfilling his responsibilities as the director in charge of Business Innovation & Incubation Division, Global Division and Administration Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.</p>				
4	Yoshitaka Mimori (March 12, 1956) [Reappointment] Attendance at Board of Directors Meetings during fiscal 2020: 17 out of 17 times (100%)	April 1979	Joined Sumitomo Construction Co., Ltd.	47,694
		January 2000	General Manager, Building Construction Department, Building Construction Administration Department, Tokyo Branch	
April 2003	General Manager, Building Construction Department, Building Construction Administration Department, Tokyo Building Construction Branch of the Company			
April 2011	Executive Officer			
April 2013	Managing Executive Officer			
April 2015	Senior Managing Executive Officer			
June 2015	Director			
April 2016	Division Director, Building Construction Division (to present)			
April 2018	Representative Director (to present), Executive Vice President (to present)			
<p>Reasons for selection as a candidate for Director</p> <p>Since joining the Company, Mr. Yoshitaka Mimori has accumulated a wealth of experience from serving important posts in the building construction section, and currently, he is adequately fulfilling his responsibilities as Division Director of Building Construction Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	<p>Takeshi Sagara (September 8, 1957)</p> <p>[New Candidate]</p> <p>Attendance at Board of Directors Meetings during fiscal 2020: —</p>	April 1981	Joined Mitsui Construction Co., Ltd.	26,953
		April 2003	Construction Site Manager, Tokyo Building Construction Branch of the Company	
		July 2007	General Manager, Building Construction Department, Kyushu Branch	
		April 2012	General Manager, Kyushu Branch	
		April 2013	Executive Officer	
		April 2015	Managing Executive Officer, Overall in charge of Construction, Building Construction Division	
		April 2016	Division Director, Production Management Division	
		April 2019	Senior Managing Executive Officer (to present)	
			Division Director, Safety, Environment & Production Management Division	
		April 2021	Chief Officer, Safety, Environment & Production Management Division (to present)	
			Chief Officer, DX Promotion (to present)	
<p>Reasons for selection as a candidate for Director</p> <p>Since joining the Company, Mr. Takeshi Sagara has accumulated a wealth of experience from serving important posts in the building construction section. As Division Director of Safety, Environment & Production Management Division, he has demonstrated his excellent management skills, and currently, he is adequately fulfilling his responsibilities as Chief Officer of Safety, Environment & Production Management Division and Chief Officer of DX Promotion. Therefore, the Company has judged it appropriate to nominate him as a candidate for Director.</p>				
6	<p>Toshio Shibata (December 8, 1962)</p> <p>[Reappointment]</p> <p>Attendance at Board of Directors Meetings during fiscal 2020: 13 out of 13 times (100%)</p>	April 1985	Joined Mitsui Construction Co., Ltd.	17,945
		April 2003	Civil Engineering Designing Department No.2, Civil Engineering Administration Department, Civil Engineering Business Division of the Company	
		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 (to present)	
			Division Director, Civil Engineering Division (to present)	
		June 2020	Director (to present)	
<p>Reasons for selection as a candidate for Director</p> <p>Since joining the Company, Mr. Toshio Shibata has accumulated a wealth of experience from serving important posts in the civil engineering section. As General Manager of Tokyo Civil Engineering Branch, which is the Company's main branch, he has demonstrated his excellent management skills, 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.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
	Sakio Sasamoto (December 24, 1950) [Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] Attendance at Board of Directors Meetings during fiscal 2020: 17 out of 17 times (100%)	April 1974 December 1999 April 2001 April 2003 April 2005 August 2005 April 2008 June 2009 June 2012 June 2016	Joined Nippon Kokan Corporation General Manager, Real Estate Dept. General Manager, Legal & General Administration Dept. Executive Assistant, General Administration and Legal Division, JFE Holdings, Inc. Vice President, General Manager, General Administration and Legal Division Vice President, General Manager, General Administration Dept. Senior Vice President Representative Director, President and CEO, JFE LIFE CORPORATION Audit & Supervisory Board Member, JFE Holdings, Inc. Outside Director of the Company (to present)	0
7	<ol style="list-style-type: none"> 1. Reasons for selection as candidate for Outside Director and a summary of expected roles <ol style="list-style-type: none"> 1) Mr. Sakio Sasamoto 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. 2) Mr. Sakio Sasamoto has been selected as a candidate for Outside Director as the Company wishes to have him continue to exercise his wide range of experience regarding management of the Company. 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 18th 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. 3) The Company believes that he can provide useful remarks and suggestions from an independent and objective standpoint based on his extensive experience gained through his corporate management career described in 2) above. He is also expected to supervise the Company's management as Chairman of the Nomination and Compensation Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure. 2. Independence qualification of candidate for Outside Director Mr. Sakio Sasamoto has served for many years at JFE Holdings Group (retired in June 2016 from all the positions of the Group), which has transactional relationships with the Company, but the amount of business between the Group and the said group is less than 1% of annual consolidated net sales of the Group and the said group, 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. 3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company The term of retention of Mr. Sakio Sasamoto as Outside Director will be five (5) years at the close of this General Meeting. 			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	<p>Jun Sugie (June 23, 1956)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director]</p> <p>Attendance at Board of Directors Meetings during fiscal 2020: 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 Managing Director, JASDEC DVP Clearing Corporation July 2015 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]</p> <ul style="list-style-type: none"> • Outside Director, IDOM Inc. • Vice Chairman and Executive Director, The Investment Trusts Association, Japan 	0
8		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <ol style="list-style-type: none"> 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. 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 Corporate Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 18th 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. 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. 4) IDOM Inc., where Mr. Jun Sugie serves as Outside Director, received an order for action from the Consumer Affairs Agency in December 2017 for allegedly conducting misleading representations which fall under Item 2 for Article 5 of the Act against Unjustifiable Premiums and Misleading Representations and are prohibited by the provisions of the same Article. Although he had not known the fact until it was revealed, he constantly made recommendations regarding compliance to IDOM Inc. After the fact was revealed, he received detailed information about the conduct in question from Directors and employees, identified points for improvement, and examined measures such as strengthening in-house investigative systems for advertisements and preventive measures including legal training within IDOM Inc. <p>2. Independence qualification of candidate for Outside Director</p> <p>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</p> <p>The term of retention of Mr. Jun Sugie as Outside Director will be two (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
	<p>Tamao Hosokawa (July 12, 1968)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director]</p> <p>Attendance at Board of Directors Meetings during fiscal 2020: 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 (to present) January 2016 Director, Chiba Institute of Technology (retired in January 2020) 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 ▪ Part-time lecturer (modern politics), Seisa University ▪ 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
9		<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <ol style="list-style-type: none"> 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. 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 Corporate Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 18th 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. 3) The Company believes that she can provide useful remarks and suggestions 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 participating in the promotion of the Company's diversity through her advice and suggestions for women empowerment. <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 two (2) 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
10	<p>Tsukasa Kawada (March 28, 1955)</p> <p>[New Candidate] [Candidate for Outside Director] [Candidate for Independent Director]</p> <p>Attendance at Board of Directors Meetings during fiscal 2020: —</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)</p> <p>[Significant concurrent positions] ▪ Advisor to Mitsui Sumitomo Insurance Company, Limited</p>	0
	<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 serving important posts including Ambassador in several countries. He has been selected as a candidate for Outside Director as the Company expects him 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. For the reason given above, the Company has judged that Mr. Kawada will perform his duties as Outside Director in an appropriate manner.</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 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 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) 1. There are no special interests between each candidate and the Company.

2. Mr. Sakio Sasamoto, Mr. Jun Sugie and Ms. Tamao Hosokawa 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 fore mentioned 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. Also, if Mr. Tsukasa Kawada is elected as Director and appointed Outside Director, the Company plans to conclude the same liability limitation agreement with him.

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. All of the candidates to be reappointed, as well as new candidate Mr. Takeshi Sagara, are already insured and will continue to be insured under the insurance contract after their appointment. Mr. Tsukasa Kawada, the other 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.

End