

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: 6104

May 28, 2021

To our shareholders:

Shigetomo Sakamoto,
President
SHIBAURA MACHINE CO., LTD.
2-2 Uchisaiwaicho 2-Chome, Chiyoda-ku, Tokyo

NOTICE OF THE 98TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 98th Ordinary General Meeting of Shareholders of SHIBAURA MACHINE CO., LTD. (the “Company”), which will be held as described below.

Having carefully considered the options for preventing the spread of novel coronavirus (COVID-19) infection, if at all possible, you are strongly encouraged to refrain from coming to the venue on the date of the meeting and exercise your voting rights by postal mail or via the Internet, etc. Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders no later than 5:30 p.m., Friday, June 18, 2021 (Japan Standard Time).

- 1. Date and Time:** Monday, June 21, 2021 at 10:00 a.m. (Reception desk opens at 9:00 a.m.) (Japan Standard Time)
- 2. Venue:** Tokyo Kaikan, 3F “Rose”
2-1 Marunouchi 3-Chome, Chiyoda-ku, Tokyo

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 98th Term (from April 1, 2020 to March 31, 2021), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee.
2. Non-Consolidated Financial Statements for the 98th Term (from April 1, 2020 to March 31, 2021)

Items to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Nine (9) Directors (excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reason for the proposal

- (1) In order to further strengthen the foundations for business revenue, the Company will add a business purpose to Article 2 (Purpose) of the current Articles of Incorporation, and adjust the necessary item numbers in line with this.
- (2) The Company will change the method of public notice from the Nihon Keizai Shimbun to electronic public notice in order to improve the convenience of viewing public notices and streamline public notice procedures in consideration of the widespread use of the Internet, and will also stipulate measures to be taken when electronic public notice cannot be made due to unavoidable reasons.

2. Details of the amendments

The details of the amendments are as follows:

(The amended parts are indicated by underlined text. Some underlining does not coincide with the Japanese version because of translation adjustments.)

Current Articles of Incorporation	Proposed amendment
Article 1. (Omitted) (Purpose) Article 2. The purpose of the Company shall be to engage in the following business activities: (1) to (7) (Omitted) (8) manufacture and sale of medical devices; <u>and</u> (Japanese unchanged; change in English only) (Newly established) (9) (Omitted) Article 3. to Article 4. (Omitted) (Method of Giving Public Notices) Article 5. Public notices of the Company shall be given in the Nihon Keizai Shimbun. Article 6. to Article 36. (Omitted)	Article 1. (Unchanged) (Purpose) Article 2. The purpose of the Company shall be to engage in the following business activities: (1) to (7) (Unchanged) (8) manufacture and sale of medical devices; (Japanese unchanged; change in English only) <u>(9) development and sale of land, and development, use, sale, purchase, lease, brokerage and management of real estate;</u> <u>and</u> <u>(10) (Unchanged)</u> Article 3. to Article 4. (Unchanged) (Method of Giving Public Notices) Article 5. The <u>method</u> of public notices of the Company shall be <u>electronic public notice, provided, however, that if the Company is unable to give an electronic public notice because of an accident or any other unavoidable reason, public notices of the Company may be</u> given in the Nihon Keizai Shimbun. Article 6. to Article 36. (Unchanged)

Proposal 2: Election of Nine (9) Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all nine Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) will expire at the conclusion of this Ordinary General Meeting of Shareholders. Thus, the Company proposes that nine Directors be elected.

In addition, the Audit and Supervisory Committee has judged each candidate to be a reasonable nomination for the position of Director of the Company for this proposal.

The candidates for Director are as follows:

No.	Name	Current position and responsibilities in the Company	Notes	Attendance at the Board of Directors meetings
1	Yukio Iimura	Chairman and Chief Executive Officer	[Reelection]	16 of 16 (100%)
2	Shigetomo Sakamoto	President and Chief Operating Officer Security and Regulation Control Division General Manager	[Reelection]	16 of 16 (100%)
3	Akiyoshi Kobayashi	Director and Executive Operating Officer R&D Center General Manager, Sagami Plant General Manager, in charge of Administration Division, and in charge of System Strategy Division	[Reelection]	16 of 16 (100%)
4	Hiroaki Ota	Director and Executive Operating Officer Chief Financial Officer and in charge of Corporate Strategic Planning Division	[Reelection]	13 of 13 (100%)
5	Kiyoshi Sato	Outside Director	[Reelection] [Outside] [Independent]	15 of 16 (94%)
6	Seigo Iwasaki	Outside Director	[Reelection] [Outside] [Independent]	16 of 16 (100%)
7	Hiroshi Inoue	Outside Director	[Reelection] [Outside] [Independent]	16 of 16 (100%)
8	Kazumine Terawaki	Outside Director	[Reelection] [Outside] [Independent]	16 of 16 (100%)
9	Chisa Hayakawa	Outside Director	[Reelection] [Outside] [Independent]	13 of 13 (100%)

Note: For Hiroaki Ota and Chisa Hayakawa, the attendance status at meetings of Board of Directors only incorporates the meetings of the Board of Directors that have been held since their appointments on June 29, 2020.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p data-bbox="360 450 515 506">Yukio Iimura (June 17, 1956)</p> <p data-bbox="376 544 499 573">[Reelection]</p>	<p data-bbox="612 264 975 293">Apr. 1980 Joined the Company</p> <p data-bbox="612 300 1214 358">Oct. 2000 Injection Molding Machine Engineering Department Senior Manager of the Company</p> <p data-bbox="612 365 1106 423">Oct. 2004 Micro-Pattern Imprinting Device Division General Manager of the Company</p> <p data-bbox="612 430 1018 459">June 2006 Director of the Company</p> <p data-bbox="612 465 1225 524">June 2008 Headquarters of Engineering Division General Manager of the Company</p> <p data-bbox="612 530 1026 560">June 2009 President of the Company</p> <p data-bbox="612 566 1206 624">June 2013 President and Chief Executive Officer of the Company</p> <p data-bbox="612 631 1211 689">Apr. 2017 Chairman and Chief Executive Officer of the Company (present position)</p> <p data-bbox="612 696 1190 754">May 2017 Chairman of Japan Machine Tool Builders' Association (present position)</p>	30,174
<p data-bbox="277 763 772 792">[Reasons for nomination as candidate for Director]</p> <p data-bbox="277 797 1434 949">Since being appointed as President of the Company in 2009, Yukio Iimura has used his strong leadership skills to guide the whole Group. Since April 2017, he has served as Chairman and Chief Executive Officer of the Company, and has been involved in management of the Group with the aim of continuing to further enhance corporate value. We expect him to strengthen corporate governance and the management supervisory structure still further, and have thus nominated him as a candidate for Director.</p> <p data-bbox="277 954 1131 983">[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)]</p> <p data-bbox="277 987 584 1016">Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p style="text-align: center;">Shigetomo Sakamoto (May 22, 1958)</p> <p style="text-align: center;">[Reelection]</p>	<p>Apr. 1983 Joined the Company</p> <p>June 2006 Corporate Planning Division General Manager of the Company</p> <p>June 2009 Director of the Company</p> <p>June 2010 Tokyo Head Office General Manager of the Company</p> <p>Oct. 2010 Global Corporate Strategy Division General Manager of the Company</p> <p>June 2013 Director and Managing Executive Officer, Component Business Unit General Manager, and Corporate Planning Division General Manager of the Company</p> <p>June 2016 Representative Director and Executive Operating Officer, Compliance Division General Manager, Security and Regulation Control Division General Manager, Corporate Strategic Planning Division General Manager, Sagami Plant General Manager, and RMO of the Company</p> <p>Apr. 2017 Machine Tools Business Unit General Manager and Gotemba Plant General Manager of the Company</p> <p>June 2017 In charge of Corporate Strategic Planning Division and in charge of TQM Promotion Division of the Company</p> <p>June 2019 Vice President and Operating Officer of the Company</p> <p>Feb. 2020 President and Chief Operating Officer of the Company (present position)</p> <p>Apr. 2020 Security and Regulation Control Division General Manager of the Company (present position)</p>	11,016
<p>[Reasons for nomination as candidate for Director]</p> <p>Shigetomo Sakamoto was appointed as President and Chief Operating Officer of the Company in February 2020, becoming responsible for management of the Group, such as executing the management reform plan, based on his extensive experience and achievements primarily in the Corporate Strategic Planning Division. We expect him to enhance corporate value by further strengthening the management base and reliably executing the management reform plan, and have thus nominated him as a candidate for Director.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)]</p> <p>Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p>Akiyoshi Kobayashi (November 14, 1960)</p> <p>[Reelection]</p>	<p>Apr. 1985 Joined the Company</p> <p>Oct. 2004 Extrusion Machine Engineering Department Senior Manager of the Company</p> <p>June 2013 Extrusion Machine Division General Manager of the Company</p> <p>June 2014 Executive Officer, Advanced Machinery Business Unit Deputy General Manager of the Company</p> <p>June 2015 Director and Executive Officer, Advanced Machinery Business Unit General Manager of the Company</p> <p>June 2016 In charge of Control Systems Division of the Company</p> <p>Apr. 2017 Molding Machinery Business Unit General Manager, Administration Division General Manager, and Sagami Plant General Manager of the Company</p> <p>June 2018 Director and Senior Managing Executive Officer, Corporate Strategic Planning Division General Manager, and Engineering and Quality Division General Manager of the Company</p> <p>June 2019 Director and Executive Operating Officer (present position) and in charge of Control Systems Division of the Company</p> <p>Feb. 2020 Compliance Division General Manager of the Company</p> <p>Apr. 2020 R&D Center General Manager, Sagami Plant General Manager, in charge of Administration Division, and in charge of System Strategy Division of the Company (present position)</p>	9,683
<p>[Reasons for nomination as candidate for Director] Since being appointed as Director of the Company, Akiyoshi Kobayashi has been involved with management mainly from the perspective of the Research and Development Division, based on his extensive experience and achievements gained through execution of operation in the Extrusion Machine business in the past. We believe that he is qualified to further expand the Group's business, refine the Group's technology and raise quality, and have high expectations for his management decision-making and oversight. Accordingly, we have nominated him as a candidate for Director.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	<p style="text-align: center;">Hiroaki Ota (March 7, 1962)</p> <p style="text-align: center;">[Reelection]</p>	<p>Apr. 1984 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2001 Joined Daiwa Securities SMBC Co. Ltd. (currently Daiwa Securities Co. Ltd.)</p> <p>Feb. 2009 Joined GCA Savvian Corporation (currently GCA Corporation)</p> <p>Mar. 2014 Audit and Supervisory Board Member of Mezzanine Corporation</p> <p>Aug. 2014 Audit and Supervisory Board Member of GCA FAS Co., Ltd.</p> <p>Feb. 2015 CFO and Managing Director of GCA Savvian Corporation (currently GCA Corporation) Director of GCA Savvian Singapore Private Ltd.</p> <p>Mar. 2015 Director, CFO and Managing Director of GCA Savvian Corporation (currently GCA Corporation)</p> <p>Apr. 2017 Managing Director of GCA Corporation</p> <p>Apr. 2020 Executive Operating Officer of GCA Partners Corporation</p> <p>June 2020 Director of the Company</p> <p>Aug. 2020 Director and Executive Operating Officer, Chief Financial Officer and in charge of Corporate Strategic Planning Division of the Company (present position)</p>	2,083
<p>[Reasons for nomination as candidate for Director] Hiroaki Ota is responsible for strengthening the Group management structure as CFO based on his extensive experience and achievements related to finance and corporate management through the execution of business at other companies. We believe that he is qualified to further strengthen the Group management structure, and have high expectations for his management decision-making and oversight. Accordingly, we have nominated him as a candidate for Director.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Of 16 meetings, attended all 13 meetings held after his appointment</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p style="text-align: center;">Kiyoshi Sato (April 2, 1956)</p> <p style="text-align: center;">[Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]</p>	<p>Apr. 1979 Joined Tokyo Electron Limited</p> <p>Apr. 2003 Senior Executive, president's office of Tokyo Electron Limited</p> <p>June 2003 President and CEO of Tokyo Electron Limited</p> <p>Apr. 2009 Vice Chairman of the Board of Tokyo Electron Limited</p> <p>June 2011 Director of Tokyo Electron Limited Chairman of Tokyo Electron America, Inc. Chairman of Tokyo Electron Europe, Ltd.</p> <p>Nov. 2013 Director of Tokyo Electron Limited President of TEL Solar AG</p> <p>June 2016 Audit and Supervisory Board Member of Tokyo Electron Yamanashi Limited</p> <p>June 2017 Outside Director of the Company (present position)</p> <p>June 2019 Outside Director of Mazda Motor Corporation (present position)</p> <p>June 2019 Outside Director of Inabata & Co., Ltd. (present position)</p>	0
<p>[Reasons for nomination and overview of expected roles] Kiyoshi Sato possesses an impressive character and knowledge, and the Company expects that he will provide advice and recommendations to ensure the adequacy and appropriateness of business execution by utilizing his extensive experience and knowledge gained as an officer for other companies, including overseas business. Accordingly, we have nominated him as a candidate for Outside Director.</p> <p>[Regarding Independence] There is no special interest between Mazda Motor Corporation and Inabata & Co., Ltd., at which he is engaged in his main concurrent posts, and the Company.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Attended 15 of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	<p style="text-align: center;">Seigo Iwasaki (October 8, 1946)</p> <p style="text-align: center;">[Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]</p>	<p>Mar. 1969 Joined SHIZUOKA GAS Co., Ltd.</p> <p>July 1988 General Planning Group Leader of SHIZUOKA GAS Co., Ltd.</p> <p>Mar. 1996 Director of SHIZUOKA GAS Co., Ltd.</p> <p>Mar. 2000 Managing Director of SHIZUOKA GAS Co., Ltd.</p> <p>Mar. 2001 Senior Managing Director of SHIZUOKA GAS Co., Ltd.</p> <p>Mar. 2006 Representative Director and President of SHIZUOKA GAS Co., Ltd.</p> <p>Jan. 2011 Representative Director and Chairman of SHIZUOKA GAS Co., Ltd.</p> <p>May 2014 Outside Director of STAR MICRONICS CO., LTD. (present position)</p> <p>June 2015 Outside Director of Murakami Corporation (present position)</p> <p>Jan. 2018 Director and Special Adviser of SHIZUOKA GAS Co., Ltd.</p> <p>June 2018 Outside Director of the Company (present position)</p> <p>Mar. 2020 Special Adviser of SHIZUOKA GAS Co., Ltd. (present position)</p>	4,000
<p>[Reasons for nomination and overview of expected roles] Seigo Iwasaki possesses an impressive character and knowledge, and the Company expects that he will provide advice and recommendations to ensure the adequacy and appropriateness of business execution by utilizing his extensive experience and knowledge gained as an officer for other companies. Accordingly, we have nominated him as a candidate for Outside Director.</p> <p>[Regarding Independence] There is no special interest between STAR MICRONICS CO., LTD. and Murakami Corporation at which he is engaged in his main concurrent posts, and the Company.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	<p style="text-align: center;">Hiroshi Inoue (January 5, 1940)</p> <p style="text-align: center;">[Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]</p>	<p>Apr. 1963 Joined Tokyo Broadcasting System, Inc.</p> <p>June 1993 Director of Tokyo Broadcasting System, Inc.</p> <p>June 1996 Managing Director of Tokyo Broadcasting System, Inc.</p> <p>June 1997 Senior Managing Director of Tokyo Broadcasting System, Inc.</p> <p>June 2001 Vice President and Representative Director of Tokyo Broadcasting System, Inc.</p> <p>June 2002 President and Representative Director of Tokyo Broadcasting System, Inc.</p> <p>Oct. 2004 President and Representative Director of Tokyo Broadcasting System Television, Inc.</p> <p>June 2006 Outside Director of Tokyo Electron Limited</p> <p>Apr. 2009 Chairman and Representative Director of Tokyo Broadcasting System Holdings, Inc. (currently TBS HOLDINGS, INC.)</p> <p>Chairman and Representative Director of Tokyo Broadcasting System Television, Inc.</p> <p>Apr. 2012 President of The Japan Commercial Broadcasters Association (general incorporated association)</p> <p>Apr. 2016 Honorary Chairman and Director of Tokyo Broadcasting System Holdings, Inc. (currently TBS HOLDINGS, INC.)</p> <p>Honorary Chairman and Director of Tokyo Broadcasting System Television, Inc.</p> <p>June 2018 Executive Advisor of Tokyo Broadcasting System Television, Inc.</p> <p>June 2019 Outside Director of the Company (present position)</p>	0
<p>[Reasons for nomination and overview of expected roles]</p> <p>Hiroshi Inoue possesses an impressive character and knowledge, and the Company expects that he will provide advice and recommendations to ensure the adequacy and appropriateness of business execution by utilizing his extensive experience and knowledge gained as an officer for other companies. Accordingly, we have nominated him as a candidate for Outside Director.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)]</p> <p>Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	<p>Kazumine Terawaki (April 13, 1954)</p> <p>[Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]</p>	<p>Apr. 1980 Prosecutor of Tokyo District Public Prosecutors Office</p> <p>Jan. 2014 Director-General of Public Security Intelligence Agency</p> <p>Jan. 2015 Superintending Prosecutor, Sendai High Prosecutors Office</p> <p>Sept. 2016 Superintending Prosecutor, Osaka High Prosecutors Office</p> <p>Apr. 2017 Retired from his post of Superintending Prosecutor, Osaka High Prosecutors Office</p> <p>June 2017 Lawyer registration (Tokyo Bar Association), Joined Satoshi Suzuki Law Office (present position)</p> <p>Feb. 2018 Outside Corporate Auditor of Kewpie Corporation (present position)</p> <p>June 2018 External Audit and Supervisory Board Member of The Shoko Chukin Bank, Ltd. (present position)</p> <p>June 2019 Outside Director of the Company (present position)</p> <p>June 2019 Outside Audit and Supervisory Board Member of Kajima Corporation (present position)</p>	100
<p>[Reasons for nomination and overview of expected roles] Kazumine Terawaki possesses an impressive character and knowledge, and the Company expects that he will provide advice and recommendations to ensure the adequacy and appropriateness of business execution by utilizing his extensive experience and knowledge gained as a lawyer and an outside officer for other companies. Accordingly, we have nominated him as a candidate for Outside Director.</p> <p>[Regarding Independence] There is no special interest between Kewpie Corporation, The Shoko Chukin Bank, Ltd. and Kajima Corporation, at which he is engaged in his main concurrent posts, and the Company.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Attended all of the 16 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	Chisa Hayakawa (June 27, 1968) [Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]	Apr. 1991 Joined Sanyo Securities Company Limited Mar. 1998 Joined FANCL CORPORATION July 2009 Joined Calbee, Inc. Apr. 2011 Investor Relations Group Manager of Calbee, Inc. Apr. 2013 Executive Officer (present position) and Investor Relations Department General Manager of Calbee, Inc. Apr. 2014 Corporate Planning Department General Manager and Investor Relations Department General Manager of Calbee, Inc. Apr. 2016 East Japan Sales Department Deputy General Manager of Calbee, Inc. Apr. 2017 East Japan Sales Department General Manager of Calbee, Inc. Apr. 2019 Financial & Accounting Department General Manager of Calbee, Inc. June 2020 Outside Director of the Company (present position) Apr. 2021 Financial & Accounting Department General Manager and Investor Relations Department General Manager of Calbee, Inc. (present position)	1,000
<p>[Reasons for nomination and overview of expected roles] Chisa Hayakawa possesses an impressive character and knowledge, and the Company expects that she will provide advice and recommendations to ensure the adequacy and appropriateness of business execution by utilizing her expertise as a certified tax accountant and a securities analyst and her extensive experience and knowledge gained through wide-ranging business execution. Accordingly, we have nominated her as a candidate for Outside Director.</p> <p>[Regarding Independence] There is no special interest between Calbee, Inc., at which she is engaged in her main concurrent post, and the Company.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Of 16 meetings, attended all 13 meetings held after her appointment</p>			

- Notes:
1. There is no special interest between the above candidates for Director and the Company.
 2. Kiyoshi Sato, Seigo Iwasaki, Hiroshi Inoue, Kazumine Terawaki and Chisa Hayakawa are candidates for Outside Director.
 3. Kiyoshi Sato, Seigo Iwasaki, Hiroshi Inoue, Kazumine Terawaki and Chisa Hayakawa are currently Outside Directors of the Company, and at the conclusion of this General Meeting of Shareholders, Kiyoshi Sato, Seigo Iwasaki, Hiroshi Inoue, Kazumine Terawaki and Chisa Hayakawa will have served as Outside Directors for four years, three years, two years, two years and one year respectively.
 4. In accordance with the Articles of Incorporation of the Company and Article 427, paragraph (1) of the Companies Act, the Company has concluded limited liability agreements referred to in Article 423, paragraph (1) of the Companies Act with Kiyoshi Sato, Seigo Iwasaki, Hiroshi Inoue, Kazumine Terawaki and Chisa Hayakawa which prescribe that the maximum extent of the liability for damages shall be the amount set forth in laws and regulations. If their reelections are approved, the Company plans to continue these limited liability agreements.
 5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. This policy covers losses that may arise from liability incurred by the insured, which includes Directors of the Company, in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain exclusions, such losses not being covered when they arise due to the performance of an illegal act with full knowledge of its illegality. If the reelection of the candidates for Director is approved, they will continue to be included as an insured in the policy. Moreover, the Company intends to renew the policy with the same policy details when the next renewal is due.
 6. The Company has designated Kiyoshi Sato, Seigo Iwasaki, Hiroshi Inoue, Kazumine Terawaki and Chisa Hayakawa as Independent Officers based on the stipulation by the Tokyo Stock Exchange and registered them to the said exchange. If their reelections are approved, the Company plans to continue their registration as the Independent Officers.

Proposal 3: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Thus, the Company proposes that three Directors who are Audit and Supervisory Committee Members be elected.

In addition, the prior consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name	Current position and responsibilities in the Company	Notes	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings
1.	Hiroshi Takahashi	Director (Full-time Audit and Supervisory Committee Member)	[Reelection]	16 of 16 (100%)	14 of 14 (100%)
2	Yutaka Usami	Outside Director (Audit and Supervisory Committee Member)	[Reelection] [Outside] [Independent]	16 of 16 (100%)	14 of 14 (100%)
3	Akifumi Imamura	—	[New election] [Outside] [Independent]	—	—

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Hiroshi Takahashi (January 12, 1963)</p> <p>[Reelection]</p>	<p>Apr. 1985 Joined the Company</p> <p>June 2010 Finance Division General Manager of the Company</p> <p>June 2013 Executive Officer and Planning Division Deputy General Manager of the Company</p> <p>June 2016 Corporate Strategic Planning Division Deputy General Manager and Corporate Planning Department Senior Manager of the Company</p> <p>June 2017 Corporate Strategic Planning Division General Manager of the Company</p> <p>June 2018 Full-time Audit and Supervisory Board Member of the Company</p> <p>June 2019 Director (Full-time Audit and Supervisory Committee Member) of the Company (present position)</p>	4,600
<p>[Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member]</p> <p>Since joining the Company, Hiroshi Takahashi has gained extensive experience and achievements through his career mainly in the financial division while working overseas, and has an impressive character and knowledge. We believe that he will be able to carry out supervision and audits of the execution of duties by Directors from a professional and objective perspective and contribute to the soundness of the Company's management. Accordingly, we have nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)]</p> <p>Attended all of the 16 meetings</p> <p>[Attendance at the Audit and Supervisory Committee meetings (from April 1, 2020 to March 31, 2021)]</p> <p>Attended all of the 14 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p style="text-align: center;">Yutaka Usami (April 28, 1958)</p> <p style="text-align: center;">[Reelection] [Candidate for Outside Director] [Candidate for Independent Officer]</p>	<p>Oct. 1984 Joined Tetsuzo Ota & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>Aug. 1988 Registered as a certified public accountant</p> <p>Oct. 2006 Resigned as Representative Partner of ShinNihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>Nov. 2006 Established Management Power Exchange Ltd. Representative Director (present position)</p> <p>Jan. 2007 Established Usami Yutaka Certified Public Accountant Office (present position)</p> <p>June 2010 Established Usami Yutaka Certified Tax Accountant Office (present position)</p> <p>Sept. 2011 Outside Audit and Supervisory Board Member of NISHIKAWA KEISOKU Co., LTD.</p> <p>Apr. 2012 Auditor of National Graduate Institute for Policy Studies</p> <p>July 2012 Outside Auditor of PADECO Co., Ltd.</p> <p>June 2014 Supervisory Officer of Tokio Marine Private Reit Inc. (present position)</p> <p>June 2015 Outside Audit and Supervisory Board Member of the Company</p> <p>Sept. 2015 Outside Director (Audit and Supervisory Committee Member) of NISHIKAWA KEISOKU Co., LTD.</p> <p>June 2019 Outside Director (Audit and Supervisory Committee Member) of the Company (present position)</p> <p>May 2020 Auditor (outside) of Chiyoda Co., Ltd. (present position)</p> <p>Sept. 2020 Supervisory Director of Industrial & Infrastructure Fund Investment Corporation (present position)</p>	0
<p>[Reasons for nomination and overview of expected roles] Yutaka Usami has an impressive character and knowledge, and we expect that he will be able to reflect his extensive experience and knowledge gained as a certified public accountant, a certified tax accountant and an outside officer for other companies. Accordingly, we have nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p> <p>[Regarding Independence] There is no special interest between Management Power Exchange Ltd., Tokio Marine Private Reit Inc., Chiyoda Co., Ltd. and Industrial & Infrastructure Fund Investment Corporation at which he is engaged in his main concurrent posts, and the Company.</p> <p>Yutaka Usami was a partner of the Company's Accounting Auditor, Ernst & Young ShinNihon LLC, but was not involved in the auditing procedures of the Company during his tenure, and resigned from the audit corporation in October 2006.</p> <p>[Attendance at the Board of Directors meetings (from April 1, 2020 to March 31, 2021)] Attended all of the 16 meetings</p> <p>[Attendance at the Audit and Supervisory Committee meetings (from April 1, 2020 to March 31, 2021)] Attended all of the 14 meetings</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Akifumi Imamura (April 18, 1953) [New election] [Candidate for Outside Director] [Candidate for Independent Officer]	<p>Apr. 1982 Lawyer registration (DAIICHI TOKYO BAR ASSOCIATION)</p> <p>Apr. 1989 Partner Lawyer of Atago Law Office</p> <p>May 2003 Partner Lawyer of Greenhill Law and Patent Office (present position)</p> <p>Apr. 2005 Vice-president of DAIICHI TOKYO BAR ASSOCIATION</p> <p>June 2005 Outside Audit and Supervisory Board Member of JBCC Holdings Inc.</p> <p>June 2011 Outside Audit and Supervisory Board Member of Itoham Foods Inc.</p> <p>Apr. 2016 Outside Audit and Supervisory Board Member of ITOHAM YONEKYU HOLDINGS INC.</p> <p>June 2016 Audit and Supervisory Committee Member/Outside Director of JBCC Holdings Inc. (present position)</p> <p>Mar. 2020 Outside Audit and Supervisory Board Member of Otomo Logistics Service Co., Ltd. (present position)</p>	0
<p>[Reasons for nomination and overview of expected roles] Akifumi Imamura has an impressive character and knowledge, and we expect that he will be able to reflect his extensive experience and knowledge gained as a lawyer and an outside officer for other companies. Accordingly, we have nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p> <p>[Regarding Independence] There is no special interest between JBCC Holdings Inc. and Otomo Logistics Service Co., Ltd., at which he is engaged in his main concurrent posts, and the Company.</p>			

- Notes:
1. There is no special interest between the above candidates for Director and the Company.
 2. Yutaka Usami and Akifumi Imamura are candidates for Outside Director.
 3. Yutaka Usami is currently Outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this General Meeting of Shareholders, he will have served as Outside Director for two years.
 4. In accordance with the Articles of Incorporation of the Company and Article 427, paragraph (1) of the Companies Act, the Company has concluded a limited liability agreement referred to in Article 423, paragraph (1) of the Companies Act with Yutaka Usami, which prescribes that the maximum extent of the liability for damages shall be the amount set forth in laws and regulations. If his reelection is approved, the Company plans to continue this limited liability agreement. If the election of Akifumi Imamura is approved, the Company plans to conclude the same limited liability agreement with him.
 5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. This policy covers losses that may arise from liability incurred by the insured, which includes Directors who are Audit and Supervisory Committee Members of the Company, in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain exclusions, such losses not being covered when they arise due to the performance of an illegal act with full knowledge of its illegality. If the reelection or election of the candidates for Audit and Supervisory Committee Member is approved, they will be included as an insured in the policy. Moreover, the Company intends to renew the policy with the same policy details when the next renewal is due.
 6. The Company has designated Yutaka Usami as an Independent officer based on the stipulation by the Tokyo Stock Exchange and registered him to the said exchange. If his reelection is approved, the Company plans to continue his registration as the Independent officer. In addition, Akifumi Imamura meets the requirements for Independent Officers based on the regulations of the Tokyo Stock Exchange, and in the event that his election is approved, the Company plans to designate him as an Independent Officer.

Proposal 4: Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

The validity of the election of substitute Director who is an Audit and Supervisory Committee Member Akifumi Imamura, approved at the 97th Ordinary General Meeting of Shareholders held on June 29, 2020, will be expired at the start of this Ordinary General Meeting of Shareholders. Accordingly, the Company requests approval for the election of one substitute Director who is an Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

The Audit and Supervisory Committee has given its consent to this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Nobuhiro Takeuchi (April 8, 1953)	Nov. 1978 Joined Deloitte Haskins & Sells LLP Accountant Office (currently Deloitte Touche Tohmatsu LLC) Apr. 1982 Registered as a certified public accountant July 1998 Resigned from Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Aug. 1998 Established Takeuchi Certified Public Accountant Office (present position) June 2003 Outside Audit & Supervisory Board Member of SEIKAGAKU CORPORATION July 2006 Auditor of Mizutani Foundation for Glycoscience (present position) June 2008 Outside Auditor of Ohizumi Mfg. Co., Ltd. Jan. 2016 Outside Corporate Auditor of All Nippon Asset Management Co., Ltd.	0
[Reasons for nomination and overview of expected roles] Nobuhiro Takeuchi has an impressive character and knowledge, and we expect that he will be able to reflect his extensive experience and knowledge gained as a certified public accountant and an outside officer for other companies. Accordingly, we have nominated him as a candidate for a substitute Outside Director who is an Audit and Supervisory Committee Member. [Regarding Independence] There is no special interest between Mizutani Foundation for Glycoscience, at which he is engaged in his main concurrent post, and the Company.		

- Notes:
1. There is no special interest between Nobuhiro Takeuchi and the Company.
 2. Nobuhiro Takeuchi is a candidate for substitute Outside Director.
 3. In accordance with the Articles of Incorporation of the Company and Article 427, paragraph (1) of the Companies Act, if Nobuhiro Takeuchi is appointed as an Outside Director who is an Audit and Supervisory Committee Member, the Company plans to conclude a limited liability agreement referred to in Article 423, paragraph (1) of the Companies Act with him, which prescribes that the maximum extent of the liability for damages shall be the amount set forth in laws and regulations.
 4. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. This policy covers losses that may arise from liability incurred by the insured, which includes Directors who are Audit and Supervisory Committee Members of the Company, in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain exclusions, such losses not being covered when they arise due to the performance of an illegal act with full knowledge of its illegality. If Nobuhiro Takeuchi is appointed as an Outside Director who is an Audit and Supervisory Committee Member, he will be included as an insured in the policy. Moreover, the Company intends to renew the policy with the same policy details when the next renewal is due.
 5. In addition, Nobuhiro Takeuchi meets the requirements for Independent Officers based on the regulations of the Tokyo Stock Exchange, and in the event that he is appointed as Outside Director who is an Audit and Supervisory Committee Member, the Company plans to designate him as an Independent Officer.