

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.

Securities Code: 9681  
December 2, 2020

**To Shareholders with Voting Rights:**

Tsutomu Nagaoka  
President and Representative Director  
TOKYO DOME CORPORATION  
1-3-61, Koraku, Bunkyo-ku, Tokyo, Japan

**NOTICE OF  
THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

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

Please be informed that the Extraordinary General Meeting of Shareholders of TOKYO DOME CORPORATION (the “Company”) will be held as stated below.

The Extraordinary General Meeting of Shareholders (the “EGM”) will be held upon demand from a shareholder, and matters placed on the agenda are only those based on the shareholder’s proposals. The details of the proposed agendas are described in the Reference Documents for the Meeting of Shareholders.

**The Board of Directors of the Company is opposed to all of the agendas based on the shareholder’s proposals.** For the opinions of the Board of Directors of the Company on the proposed agendas, please see pages 10 to 12 and pages 16 to 30 below.

The Company will hold the EGM on the condition that measures to prevent novel coronavirus (COVID-19) infection will be taken as described on page 2 below. You are asked to **carefully consider whether to attend the meeting.**

If you decide not to attend the meeting, you may exercise your voting rights by proxy, using the Voting Rights Exercise Form, or via the Internet. However, as **the Company asks for the exercise of voting rights by proxy**, please examine the “Reference Documents for the Solicitation of Proxy Voting and Reference Documents for the Meeting of Shareholders” on pages 8 to 30 below, review the “Guidance on Exercise of Voting Rights by Proxy” on page 4 below, and **send back the proxy together with the Voting Rights Exercise Form so they will arrive at the Company by 6:00 p.m. on Wednesday, December 16, 2020, Japan time.**

If you exercise your voting rights using a method other than a proxy, such as the Voting Rights Exercise Form or the Internet, please see the “Guidance on Exercise of Voting Rights by Other Methods” on pages 5 to 6 below.

- 1. Date and Time:** Thursday, December 17, 2020 at 10:00 a.m. Japan time (reception starts at 9:00 a.m.)
- 2. Venue:** Tenku Ballroom on the first basement of TOKYO DOME HOTEL located at 1-3-61, Koraku, Bunkyo-ku, Tokyo, Japan

**3. Meeting Agenda**

**Proposals to be resolved:**

**<Shareholder’s proposal (Proposed Agenda No. 1 to Proposed Agenda No. 3)>**

**Proposed Agenda No. 1:** Removal of Tsutomu Nagaoka, Director

**Proposed Agenda No. 2:** Removal of Nobuhiro Mori, Director

**Proposed Agenda No. 3:** Removal of Tomofumi Akiyama, Director

**4. Other Matters Regarding the Convocation of the Meeting of Shareholders**

If you intend to exercise your voting rights by your proxy, you may appoint another shareholder with voting rights to exercise your voting rights on your behalf. In this case, the proxy is

asked to submit a letter of proxy, as a document evidencing the authority of proxy, and the Voting Rights Exercise Form of the delegating shareholder and the proxy shareholder. Anyone other than a shareholder (e.g., a non-shareholding proxy or a person accompanying the shareholder) will not be allowed to attend the meeting.

- 
1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception.  
For the conservation of resources, please bring this Notice with you.
  2. **In the event that there is no indication of approval or disapproval of each proposed agenda** when exercising voting rights using the Voting Rights Exercise Form, **the Company shall deem the vote to be “disapproving” the agenda proposed by the shareholder.**
  3. If you exercise your voting rights both by proxy and using the Voting Rights Exercise Form or via the Internet, the Company will treat the vote through the exercise of voting rights by proxy as the valid one.
  4. If you exercise your voting rights via the Internet more than once, the Company will treat the last vote as the valid one.
  5. If you exercise your voting rights both using the Voting Rights Exercise Form and via the Internet, the Company will treat the vote that arrives at the Company last as the valid one; if they arrive on the same date, the exercise of voting rights via the Internet will be treated as the valid one.
  6. **No gifts will be distributed** at the meeting. Your understanding would be appreciated.
  7. Should the Reference Documents for the Solicitation of Proxy Voting and Reference Documents for the Meeting of Shareholders require revisions, they will be posted on the Company’s website ([https://www.tokyo-dome.jp/ir/s\\_meeting.html](https://www.tokyo-dome.jp/ir/s_meeting.html)) (in Japanese).

**Notice regarding measures to prevent novel coronavirus (COVID-19) infection**

Shareholders attending the meeting are requested to check for updates on the infection situation and the state of their own physical conditions on the date of the meeting, and to take appropriate infection prevention measures such as wearing masks when attending the meeting. The Company particularly asks the elderly, people with pre-existing medical conditions, and pregnant people to carefully consider whether to attend the meeting.

The Company staff will monitor their physical conditions including temperature checks before attending the event and wear masks at the meeting venue. Disinfectant will be available for use by shareholders at the venue. Shareholders who appear to be unwell will be asked by the staff about their conditions, and may be refused entry to the meeting venue if necessary. The Company would appreciate your understanding and cooperation, as additional infection prevention measures will be taken at the venue. Should any significant changes to the handling of the meeting of shareholders be required due to circumstances surrounding the disease, such changes will be posted on the Company’s website given below.

<https://www.tokyo-dome.jp/index.html> (in Japanese)

**Reference Documents for the Solicitation of Proxy Voting  
and Reference Documents for the Meeting of Shareholders**

**1. Solicitor for Proxy Voting**

Tsutomu Nagaoka  
President and Representative Director  
**TOKYO DOME CORPORATION**

**2. Proposed Agenda and Matters for Reference**

**[Shareholder's proposals (Proposed Agendas No. 1 to No. 3)]**

<b>Proposed Agenda No. 1:</b>	Removal of Tsutomu Nagaoka, Director
<b>Proposed Agenda No. 2:</b>	Removal of Nobuhiro Mori, Director
<b>Proposed Agenda No. 3:</b>	Removal of Tomofumi Akiyama, Director

### 3. Main points of the proposed agendas and outline of the reasons for the proposal

The outline of the main points of Proposed Agenda No. 1 to Proposed Agenda No. 3 and the reasons for the proposal contained in the documents concerning the exercise of the shareholders' right to propose submitted by the Demanding Shareholder are stated below.

#### <Main Points of the proposed agendas>

[Shareholder's proposals (Proposed Agendas No. 1 to No. 3)]

Proposed Agenda No. 1: Removal of Tsutomu Nagaoka, Director  
Remove Mr. Tsutomu Nagaoka, Director.

Proposed Agenda No. 2: Removal of Nobuhiro Mori, Director  
Remove Mr. Nobuhiro Mori, Director.

Proposed Agenda No. 3: Removal of Tomofumi Akiyama, Director  
Remove Mr. Tomofumi Akiyama, Director.

#### <Outline of the reasons for the proposal for Proposed Agenda No. 1 to Proposed Agenda No. 3>

The Demanding Shareholder and its management company Oasis Management Company Ltd. ("Oasis") made an announcement entitled "A Better Tokyo Dome," detailing business improvement plans for the Company. In the announcement, they pointed out the current problem that the Company has been unable to make full use of the good location of the Tokyo Dome, and proposed concrete and detailed improvement measures regarding important items of business as follows: (i) drastically improving the operations of the Tokyo Dome; (ii) improving the operations of the Tokyo Dome Hotel or bringing in an outside manager; (iii) seeking a partner for the Tokyo Dome City Attractions in order to improve the customer experience; (iv) liquidating non-core assets; and (v) improving corporate governance. Furthermore, in light of the development of relevant circumstances as described below, the Demanding Shareholder and Oasis concluded that the Company's problems stem from its management team that continues to operate inefficiently and fails to implement drastic operational improvement measures in a timely manner, and its Board of Directors, including external directors, that fail to fulfill their obligation to supervise such management team: (a) the Company's repeated refusal to engage in constructive dialogue between Oasis and the President and other management team members of the Company to implement these business improvement measures mentioned above; (b) the Company's failure to formulate specific processes and plans to address the problems and issues that Oasis identified in the said "A Better Tokyo Dome"; (c) although the Company specified improvement measures in its announcement entitled "Tokyo Dome's new initiatives: In pursuit of a clean, safe and comfortable world-class stadium" dated July 20, 2020, these measures are far from drastic business improvement measures, and even though the announcement refers to digital signage system similar to the one that Oasis proposed in the said "A Better Tokyo Dome," there is a lack of speed as this system is planned to be developed over a three-year period; (d) whereas the Company is operating in the midst of the COVID-19 pandemic that makes it unavoidable to downsize its operations, the management team lacks awareness of problems whereby they should see the situation as a good opportunity to implement drastic business improvement measures and to expand its post-COVID-19 profit opportunities in the future; and (e) although Oasis was waiting for the Company's concrete response to its proposal by giving sufficient time to do so, it did not receive any meaningful response from the management team. Accordingly, the Demanding Shareholder and Oasis stated that because continuing to entrust the management of the Company to the current management team and the Board of Directors of the Company would result in significant damage to the Company's corporate value that the Company would otherwise hold, they demand that an extraordinary general meeting of shareholders be promptly convened in order to propose removing the three directors subject to the demand for removal who are responsible for the said problems.

According to the Demanding Shareholder and Oasis, the reasons for proposing to remove the three directors subject to the demand for removal are as follows: (i) Mr. Tsutomu Nagaoka is inappropriate to be a director because he has failed to effectively utilize the Company's assets for a long period of time and thus failed to bring out and realize the potential corporate value of the Company and is also responsible for having avoided dialogue on Oasis's proposals of business improvement measures; (ii) Mr. Nobuhiro Mori's qualities to be an independent external director are doubtful due to his long service in this capacity and also due to the relationship between the Company and the company with which he served before taking the current office; and (iii) Mr. Tomofumi Akiyama should be replaced with another director because it is time to do so due to his long service in this capacity.

Please refer to Appendix 1 for the details of the main points of Proposed Agenda No. 1 to Proposed Agenda No. 3 and the reasons for the proposal contained in the documents concerning the exercise of the shareholders' right to propose submitted by the Demanding Shareholder.

#### 4. **Opinions of the Board of Directors of the Company on the shareholder's proposals**

The Board of Directors of the Company **is opposed to Proposed Agenda No. 1 to Proposed Agenda No. 3 pertaining to the shareholder's proposals** (collectively, the "Shareholder's Proposals") **for the following reasons:**

Now, the Company has developed the Tokyo Dome City, including the Tokyo Dome, into a landmark in Japan. Thanks to not only the warm support of its shareholders, customers, and trading partners and the hard work of its successive managers, but also its employees who have worked together with management, and the neighborhood residents who have warmly watched over the Company and supported it despite its location, i.e., the city center, the Tokyo Dome City has grown to become what it is today. Further, the Tokyo Dome City has been designated by the Tokyo Metropolitan Government as an "emergency evacuation site" (Korakuen Area Emergency Evacuation Site) in the event of a major earthquake, and nearly all of the Tokyo Dome City area has been designated by the Tokyo Metropolitan Government as a city planning park area. Accordingly, in order to further develop the Tokyo Dome City, it is essential that under the restrictions of applicable laws and regulations, the Company always takes a long-term view and formulate an appropriate investment plan and "redevelopment plan" that are sustainable not only for the Company, but also for its various stakeholders, which the Company has steadily implemented. In this way, the Company's corporate value stems from the know-how and trust that it has built up over the years in regard to the operation and development of the Tokyo Dome City, as well as the good and close relationships established based thereon, that it enjoys with its various stakeholders. Accordingly, the Company believes that it can only maintain and improve its corporate value by formulating and implementing sustainable management measures from the perspective of safety and disaster prevention, in consultation with administrative organs, under an appropriate investment plan and "redevelopment plan" based on a long-term perspective.

From this perspective, the directors of the Company have so far steadily contributed to the improvement of the mid-to-long-term corporate value of the Company through (1) the increase in the number of visitors due to the realization of development centered on sports and entertainment as a core in the Tokyo Dome City and major renovations of the Tokyo Dome according to consumers' needs and trends, and (2) the realization of a well-balanced growth of earnings from professional baseball entertainment at the Tokyo Dome, other entertainment related earnings, and earnings from the facilities that are used daily, such as commercial facilities and accommodations.

In addition, they quickly developed a risk management system for the group of the Company (the "Group") as a whole to respond to the current pandemic of the new coronavirus infectious disease (the "COVID-19") (pandemic of the COVID-19, the "COVID-19 Pandemic") and

steadily resumed business activities, placing the highest priority on customers' safety and security.

Furthermore, to improve the mid-to-long-term corporate value of the Company, the directors of the Company precisely grasped and analyzed the Group's management issues, such as (1) countermeasures against deterioration of the Tokyo Dome City facilities, (2) appearance of the synergetic effect between each facility within Tokyo Dome City, (3) creation of the synergetic effect between the businesses of the Group, (4) further increase in the transparency of the management structure, and (5) measures providing foresight into the prolonged effects of the COVID-19 Pandemic. In order to completely resolve these management issues and prepare for realizing redevelopment of the Tokyo Dome City as a whole, which is the long-term goal, the directors of the Company have considered in detail realistic and feasible plans over the short-term, mid-term, and long-term time frames, respectively, such as (i) Group-wide measures for COVID-19, (ii) renovation of the Tokyo Dome through collaboration with The Yomiuri Shimbun and Yomiuri Giants, and (iii) formulation of the next mid-term management plan aimed primarily at formulating a long-term future concept for the Tokyo Dome City, establishing solid business and financial foundations to realize the plan, and recovering from the crisis created by the COVID-19 Pandemic and reforming of the business model into a strong one. By steadily implementing these measures, it is expected that solid business and financial foundations to realize the redevelopment of the Tokyo Dome City as a whole, which is the long-term goal, will be established, and the Company's mid-to-long-term corporate value will be improved. The Company believes that it is important that the directors of the Company who formulated these measures are responsible for implementing the same themselves in terms of accountability to the shareholders and investors and this is the best choice from the perspective of steadily and effectively implementing these measures.

In addition, the Company built a governance system to appropriately supervise the management team ((1) separation between the President and Representative Director and the chairman of meeting of the Board of Directors; (2) establishment of a governance committee, a majority of which consists of independent external directors, as an advisory organ to the Board of Directors; and (3) consideration of the term of office of directors) and reviewed the remuneration plan to grant appropriate incentives to the management team. The Company will consistently make efforts to improve these systems.

Among the three directors subject to demand for removal, Mr. Tsutomu Nagaoka has been contributing to the improvement of the Company's mid-to-long-term corporate value up until now, by working on the resolution of the Company's management issues while giving consideration to the various stakeholders' interests, and continuously demonstrating his leadership as the President and Representative Director by making use of such experience. Also, based on their knowledge and experience, Mr. Nobuhiro Mori and Mr. Tomofumi Akiyama have made a great contribution by supervising whether the management policies and the management plan, which the Company formulated for the resolution of the management issues, will improve the Company's mid-to-long-term corporate value, such as by conducting appropriate monitoring of such management policies and management plan, and actively stating their opinions, and are also expected to supervise the next mid-term management plan, which the Company is currently formulating.

As such, each of the directors subject to demand for removal has so far accumulated experience and track record in contributing to the improvement of the corporate value of the Company and strengthening of the corporate governance as a director of the Company, and, therefore, they are appropriate to be directors. Since the close of the annual general meeting of shareholders held in April 2020, the Company has been discussing matters toward further enhancement of the corporate governance. Accordingly, the Company believes that removing the directors subject to demand for removal without any urgent reason, such as due to having engaged in unlawful

conduct, will greatly reduce the governance and the driving force for the strategies and measures of the Company, and thus materially damage the corporate value of the Company.

On the other hand, Oasis's proposals in "A Better Tokyo Dome," which was announced before the COVID-19 Pandemic came full swing, contain multiple proposals based on misunderstandings and does not suggest a scenario for improvement of the mid-to-long-term corporate value during the COVID-19 Pandemic. The Company is still prepared to sincerely have constructive dialogue to improve the corporate value. The Company was willing to explain its strategies and measures to improve the corporate value and its efforts to enhance the corporate governance, including restrictions on the term of office of directors, which are currently being considered by the Company, and have constructive dialogue with the Demanding Shareholder and Oasis, including clearing up of misunderstandings in Oasis's proposal in "A Better Tokyo Dome" above. However, unfortunately, the Company was not able to have an opportunity to do so. Still, the Company has not changed its positive stance toward constructive dialogue with its shareholders, investors, and other stakeholders, including the Demanding Shareholder and Oasis.

Therefore, the current directors of the Company are qualified to continue working to solve those management issues of the Company and improve the corporate value. To this end, the Company believes that there is no need to remove the three directors subject to demand for removal, who have an important role in formulating and implementing strategies to solve the management issues, and strengthening the corporate governance of the Company.

For the reasons above, the Company is opposed to the Shareholder's Proposals.

Please refer to Appendix 2 for the details of Board of Directors' opinions on the proposal.

END

## Appendix 1

### **Main Points of the Agenda Proposed by the Shareholder (Proposed Agenda No. 1 to Proposed Agenda No. 3) and the Reasons for the Proposals**

#### **<Main points of the proposed agendas>**

Proposed Agenda No. 1 (shareholder's proposal): Removal of Tsutomu Nagaoka, Director  
Remove Mr. Tsutomu Nagaoka, Director.

Proposed Agenda No. 2 (shareholder's proposal): Removal of Nobuhiro Mori, Director  
Remove Mr. Nobuhiro Mori, Director.

Proposed Agenda No. 3 (shareholder's proposal): Removal of Tomofumi Akiyama, Director  
Remove Mr. Tomofumi Akiyama, Director.

#### **<Outline of the reasons for the proposal for the proposed agendas>**

##### **(1) Necessity of the Company's business improvements**

In the interests of all of the Company's shareholders, the Demanding Shareholder and Oasis made an announcement entitled "A Better Tokyo Dome," detailing business improvement plans for the Company. In the announcement, they pointed out, the current problem is that the Company has been unable to make full use of the good location of the Tokyo Dome, and they proposed concrete and detailed improvement measures regarding important items of business as follows:

- 1) drastically improving the operations of the Tokyo Dome;
- 2) improving the operations of the Tokyo Dome Hotel or bringing in an external manager;
- 3) seeking a partner for the Tokyo Dome City Attractions in order to improve the customer experience;
- 4) liquidating non-core assets; and
- 5) improving corporate governance.

Since 2018, Oasis has repeatedly requested that a constructive dialogue be held between Oasis and the management team members of the Company, including Mr. Tsutomu Nagaoka, President and Representative Director, to implement these business improvement measures.

Oasis has proposed specific ideas and methods to implement these business improvement measures; however, its attempts for a sincere and constructive dialogue have been repeatedly refused by President Nagaoka.

Also, the Company has failed to formulate a plan for specific processes and goals to be achieved in order to address the various problems and issues to be resolved that Oasis identified in the said "A Better Tokyo Dome." Although the Company's announcement entitled "Tokyo Dome's new initiatives: In pursuit of a clean, safe and comfortable world-class stadium" dated July 20, 2020 is the only business improvement measures that were announced so far, the measures contained therein are far from drastic business improvement measures, as they mainly focus on improvement of ventilators. Further, even though the announcement also refers to a digital signage system similar to the one that Oasis proposed in the said "A Better Tokyo Dome," it should be stated that there is an absolute lack of speed as this system is planned to be developed over a three-year period. Additionally, even though the Company is operating in the midst of the COVID-19 Pandemic which makes it unavoidable to downsize its operations, Oasis has recommended that the management team see the situation as a good opportunity to implement drastic business improvement measures and expand its post-COVID-19 profit opportunities in



the future; however, Oasis has been deeply disappointed that the management team lacks awareness of such problems.

Although Oasis was waiting for the Company's concrete response to its proposal by giving sufficient time (not less than nine months) to do so, it has not received any meaningful response from the Company's management team as of October 2020.

In light of the development of these circumstances, the Demanding Shareholder and Oasis concluded that the Company's problems stem from its management team that continues to operate inefficiently and fails to implement drastic operational improvement measures in a timely manner, and its Board of Directors, including external directors, that fail to fulfill their obligation to supervise such management team. In that sense, it should be stated that the Company's management team and Board of Directors fall short of the expectations of all of the Company's stakeholders, including the fans of the Tokyo Dome, customers, trading partners, and shareholders. Continuing to entrust the management of the Company to the current management team and the Board of Directors of the Company would result in significant damage to the Company's corporate value that the Company would otherwise hold.

Accordingly, Oasis reached a conclusion that there is no other option but to have the directors responsible for the said problems resign from their offices. Therefore, it demands that an extraordinary general meeting of shareholders of the Company be promptly convened in order to propose removing the three directors mentioned above.

From now on, Oasis will consider the composition of the Board of Directors necessary to reconstruct an appropriate corporate governance system in preparation for the annual general meeting of shareholders. Furthermore, Oasis is preparing to propose the renewal of the management team at the annual general meeting of shareholders next year. For this purpose, it will review, with respect to all the directors who are the members of the Company's current management team, whether they have the knowledge and qualifications required to carry out the business improvements in their capacity as directors. If there are directors regarding whom concerns in terms of said matters cannot be dispelled, they will be asked to resign and be replaced with directors who have the desire and ability to ensure that business improvements will be carried out promptly and effectively. By calling an extraordinary general meeting of shareholders to demand the removal of the three directors mentioned above, Oasis believes that shareholders can deepen their understanding of (i) the necessity of promptly implementing business improvements based on the view that the crisis of the COVID-19 Pandemic is a good opportunity to do so, and therefore (ii) the importance of the renewal of the management team as an agenda item at the annual general meeting of shareholders next year. Furthermore, Oasis believes that such deepened understanding can be expected to have the effect that the shareholders' serious expectation that such an important annual general meeting of shareholders will be called and operated in a fair and appropriate manner will become clear to the management team as well.

## **(2) Regarding the three directors subject to the demand for removal**

At the Extraordinary General Meeting of Shareholders, the Demanding Shareholder will request that Representative Director and the two external directors above who have been in the position of director for 15 years or more be removed.

Mr. Tsutomu Nagaoka has served as a director and executive officer of the Company for a long period of time and has been in the position of President, Representative Director and COO since April 2016. He has failed to effectively utilize the Company's assets for a long period of time and thus failed to bring out and realize the potential corporate value of the Company. Furthermore, he holds a heavy responsibility for having avoided dialogue on the current Oasis

proposals for business improvement. Accordingly, Mr. Tsutomu Nagaoka is inappropriate to be a director.

Mr. Nobuhiro Mori's term of office as an external director exceeds 15 years, and his qualities to be an independent external director are doubtful from the viewpoint of corporate governance. Also, he previously was in an importance position at a bank which has a close relationship with the Company, as it is a major shareholder and also a lender of a large loan of the Company, and is cross-holding shares with the Company. As 15 years have passed, his experience at the bank is no longer considered to be useful for his performance of monitoring operations as an external director. Nevertheless, if the management team of the Company determines that it needs him serving as a director, taking into account the relationship with the bank from which he came, the Demanding Shareholder is concerned about whether he is able to make decisions fully considering the interest of the shareholders based on the director's duty of loyalty on issues regarding operations of the Company in which the interest of the bank from which he came is involved.

Similarly, Mr. Tomofumi Akiyama should be replaced because it is time to do so due to his more than 17 years of service as an external director.

The Company is at a so-called turning point for its business and needs a management team which will timely implement prompt business improvement measures. Also, external directors need to consist of people who can perform management oversight functions with fresh eyes. Accordingly, it is appropriate for Mr. Nagaoka, as well as Messrs. Mori and Akiyama, who have approved the existing management for a long period of time, which is already 15 years or more, to retire in such a period of changes.

<b>The Company's Board of Directors' Opinion on the Shareholder's Proposals</b>
---

The Company's Board of Directors is opposed to the Shareholder's Proposals. The reasons for opposition are as follows.

- 1. The Company's directors, including the three directors subject to demand for removal, have contributed to the improvement of the mid-to-long-term corporate value of the Company, and it is appropriate for them to continue to solve the Company's management issues in the future.**

The Demanding shareholder refers to the following matters as the main reasons for demanding the removal of the three directors from a management perspective: (i) they have failed to announce a plan that presents specific processes and goals to be achieved in order to address the various problems and issues to be resolved that Oasis identified in the business improvement plan entitled "A Better Tokyo Dome," proposed by the Demanding Shareholder and Oasis; and (ii) the improvement measures contained in the Company's announcement entitled "Tokyo Dome's new initiatives: In pursuit of a clean, safe and comfortable world-class stadium" dated July 20, 2020 are far from drastic business improvement measures and there is lack of speed. However, as shown below, the Company's directors, including the three directors subject to demand for removal, have consistently contributed to the improvement of the mid-to-long-term corporate value of the Company, and the Company believes that they are the appropriate people to solve the Company's management issues; accordingly, the Company is opposed to the Shareholder's Proposals.

- (1) The Company's directors have steadily improved the Company's corporate value from the past to the present**

The Company was established on December 25, 1936, and in September of the following year, it completed the construction of "Korakuen Stadium" in Suidobashi, Tokyo, as a dedicated professional baseball stadium, marking the first step in its business. In 1988, the Company completed the construction of the Tokyo Dome, the first all-weather multi-purpose stadium in Japan, and by, inter alia, making baseball games a more comfortable pastime for customers watching them, played a part in leading baseball's further development. In addition to baseball, many other events are planned and held at the Tokyo Dome, including concerts by famous domestic and international artists, the "Furusato Matsuri Tokyo," the "Tableware Festival," and the "Tokyo International Great Quilt Festival," all of which have been well received. The Company is proud to have contributed to the creation and development of culture by providing a sophisticated entertainment to a large number of customers through a number of these concerts and events.

Further, the Company opened "Korakuen Yuenchi" in Suidobashi, Tokyo in 1955, and later changed its name to the "Tokyo Dome City Attractions." Since then, and up to today, the "Tokyo Dome City Attractions" has introduced a variety of attractions, ranging from thrilling roller coasters to rides that can be enjoyed by small children, and has been used by many customers. Furthermore, the "Tokyo Dome City Attractions," not being bound to any specific contents, has been holding various events such as the "Hero Action Show," which has lasted for more than 40 years, and other various events in order to provide its customers with dreams and fun as the best urban amusement park in Japan. In addition, the Company opened the "Tokyo Dome Hotel" in 2000, which boasts the largest number of guest rooms in Tokyo, and the "LaQua," which was opened by the Company in 2003 sparked a boom in hot springs in the city center. The Company named the entire area around the site of its headquarters (Suidobashi, Tokyo) the "Tokyo Dome City," and it has concentrated its management

resources on the area to make an even more effective use of the resources and has consolidated various types of leisure activities with an aim to achieve synergies. Now, the Tokyo Dome City has developed into a landmark in Japan, with more than 40 million visitors annually. Thanks to not only the warm support of its shareholders, customers, and trading partners and the hard work of its successive managers, but also its employees who have worked together with management, and the neighborhood residents who have warmly watched over the Company and supported it despite its location, i.e., the city center, the Company has grown to become what it is today.

In this way, the Company's corporate value is supported by various stakeholders. The Company believes that the safety and security of the Tokyo Dome City is the most important factor in ensuring that the Company will continue to obtain such support from its various stakeholders as it has obtained in the past. For this purpose, in 2011, the Company established its "Safety Philosophy" and "Basic Safety Policy" as part of its management philosophy, and it has been striving to maintain safety and security by making maximum use of the know-how it has accumulated over the years. Further, pursuant to the Tokyo Earthquake Disaster Prevention Ordinance, the Tokyo Dome City has been designated by the Tokyo Metropolitan Government as an "emergency evacuation site" (Korakuen Area Emergency Evacuation Site) for residents to evacuate in such occasions as the occurrence of a large-scale fire in urban areas in the event of a major earthquake. Recognizing that it plays such a public role, the Company intends to apply its safety maintenance expertise during normal times to ensure the safety of citizens in the event of an unforeseen disaster, and no major damage was suffered during the Great East Japan Earthquake of 2011.

Nearly all of the Tokyo Dome City area has been designated by the Tokyo Metropolitan Government as a city planning park area under the City Planning Act. Accordingly, the construction of buildings and facilities is subject to the permissions and approvals of the Tokyo Metropolitan Government. In addition, because the Tokyo Dome City has been designated as an "emergency evacuation site" as stated above, it is subject to restrictions such as a restriction under which even temporary structures cannot be easily set up, in order to secure evacuation sites in the event of a disaster. Accordingly, in order to further develop the Tokyo Dome City, it is essential that under the restrictions of applicable laws and regulations, the Company always takes a long-term view and formulates an appropriate investment plan and "redevelopment plan" that are sustainable not only for the Company, but also for its various stakeholders, which the Company has steadily implemented. In this way, the Company's corporate value stems from the know-how and trust that it has built up over the years in regard to the operation and development of the Tokyo Dome City, as well as the good and close relationships established based thereon, that it enjoys with its various stakeholders. Accordingly, the Company believes that it can only maintain and improve its corporate value by formulating and implementing sustainable management measures from the perspective of safety and disaster prevention, in consultation with administrative organs, under an appropriate investment plan and "redevelopment plan" based on a long-term perspective.

As the Tokyo Dome City is part of the Korakuen Park subject to a city planning, there are limitations placed on the types of facilities that can be developed in it. Despite such limitations, based on its belief as stated above, the Company's directors built, in addition to the stadium, amusement facilities, accommodations, commercial facilities, and a multi-purpose hall and other facilities to develop the Tokyo Dome City into a sports and entertainment city unprecedented throughout the world. Furthermore, since 2016, when Mr. Tsutomu Nagaoka assumed the office of President and Representative Director, the Company has taken the following measures in light of the expansion of the live entertainment market and the trend of increasing inbound demand: (i) the Company invested in equipment in order to offer comfortable sport game watching; namely, in order to provide new added value for its customers, the Company continuously conducted major renovations of the Tokyo Dome such as the renovation of infield audience seats, installation of high-density WiFi and private rooms; (ii)

the Company constantly improved its services to meet the needs of its customers; namely, the Company changed its pamphlets and information about the Tokyo Dome City to multilingual ones in anticipation of an increase in the number of customers with inbound demands, furthermore, the Company conducted ongoing service updates at LaQua and the Tokyo Dome City Attractions and it also developed new facilities such as Gallery AaMo and Hi!EVERYVALLEY. With these measures, the Company aimed for, and realized, an increase in revenue by increasing the number of visitors.

Furthermore, in response to the trend toward digitalization, the Company has launched new styles of entertainment, such as the Online Baseball Academy, and it has thereby worked to develop new fans of the Tokyo Dome City that are not reflected in the number of visitors.

As a result of these measures, the Company's directors have developed the Tokyo Dome City into a "city" that is proud to have one of the leading customer-attracting abilities in the world. Specifically, the Tokyo Dome has become a world-class stadium with more than 9.7 million annual visitors (from February 1, 2019 to January 31, 2020; hereinafter the same) (reference: the Dodger Stadium: 4.7 million (2018), Wembley Stadium: 3.8 million (2017-2018 season)). The Tokyo Dome City, where the Tokyo Dome is located, boasts to be one of the best in Japan in attracting customers, as 40 million customers visit the site per year (reference: the Roppongi Hills: 40 million (2018)). Furthermore, the Tokyo Dome hosts approximately 200 events per year, and the Korakuen Hall, a sacred place for martial arts and events, hosts approximately 320 events per year, making the site one of the world's leading sports and event facilities in this respect as well (reference: The O2: 211 times (2018), the Madison Square Garden: 320 times (2019)). In addition, the two commercial facilities located in the Tokyo Dome City, LaQua and MEETS PORT, receive 19.65 million visitors annually, nearly as many as specialized commercial facilities (reference: LaLaport TOKYO-BAY: 25 million (2016)).

Meanwhile, in terms of revenue as well, the Company has achieved a steady and well-balanced growth of earnings from professional baseball entertainment at the Tokyo Dome, earnings from other entertainment, and earnings from the facilities that are used daily, such as commercial facilities and accommodations.

In this way, the Company's directors, including the three directors subject to demand for removal, have consistently contributed to the improvement of the mid-to-long-term corporate value of the Company. Specifically, they took the lead in appropriately finding the trends and needs of customers, and they promptly formulated and steadily implemented strategies and measures for increasing visitors and improving profitability. Accordingly, as described in (3) below, the Company believes that its directors, including the three directors subject to demand for removal, have the knowledge, experience, and the ability of supervision and management required to formulate and steadily implement strategies and measures to contribute to the improvement of the mid-to-long-term corporate value of the Company and are thus appropriate human resources to take charge of the Company's management and supervision thereof in the future as well.

**(2) The Company has been appropriately addressing the current COVID-19 Pandemic and resuming business activities while maintaining the safety and security of our customers**

The COVID-19 Pandemic, which came into full swing in February 2020, has had a significant impact on the entertainment industry, the food and beverage industry, and accommodation industry, such as the Company. In January 2020, prior to the full-scale outbreak of the COVID-19 Pandemic, the Company's directors established a cross-sectional infectious disease control team within the Group, which formulated a basic policy for the Group that consists of (i) measures concerning employees, (ii) measures concerning facilities, and (iii) requests to customers. As a result, in February 2020, the Company promptly secured the necessary items,

including masks and disinfectant solutions, through the Group's specialist cleaning company, and formulated an infectious disease prevention manual and a specific flow for customers and employees and disseminated them throughout the Group. In March 2020, the Company established a disaster control task force, headed by Mr. Tsutomu Nagaoka, President and Representative Director, comprised of full-time directors. Based on the guidelines provided by the Tokyo Metropolitan Government, the Company organized a structure that would enable speedy decision making on important matters, such as the suspension or resumption of operations of its business offices.

The Company considers it a top priority to prevent its customers and employees from becoming infected; accordingly, it has fulfilled its corporate social responsibility by suspending its promotional activities from the early stages of the COVID-19 Pandemic. Meanwhile, the Company has quickly begun to consider and implement measures to ensure that its customers can enjoy watching sport games safely. Specifically, on July 20, 2020, the Company, together with The Yomiuri Shimbun and Yomiuri Giants, announced a plan for renovations of the Tokyo Dome entitled "Tokyo Dome's new initiatives: In pursuit of a clean, safe and comfortable world-class stadium," and the Company was among the first to launch infection control measures appropriately corresponding to indoor stadiums, such as improvement of air conditioning capacity, installation of CO2 concentration meters, and measures to prevent droplet infection. Starting in September 2020, the accommodation capacity of the Tokyo Dome has been increased to a maximum of 19,000 people to support the hosting of professional baseball games. With the aim of further increasing the number of people that can be accommodated in the Tokyo Dome, the Company will work to conduct a technical demonstration to reduce the risk of COVID-19 infection and establish proper infection control measures based on scientific and medical knowledge. Furthermore, in facilities other than the Tokyo dome as well, the Company has taken measures to comply with the guidelines issued by the various industry associations, conducted internal audits, and is gradually resuming operations while taking adequate infection control measures, such as shortening the hours of operation in accordance with the characteristics of the facilities. Although accommodations and other facilities are among the business categories most affected by the COVID-19 Pandemic at this time, the Company was among the first to fulfill its social responsibility under the COVID-19 Pandemic by offering, among others, special accommodation plans and lunch boxes to medical professionals who are active on the frontlines of treatment of COVID-19-infected patients. Furthermore, the Company is taking measures to minimize the impact on earnings, such as creating a topical accommodation plan in collaboration with each of facilities in the Tokyo Dome City, while monitoring the status of the infection.

As stated above, the entertainment, food and beverage, and accommodation industries in which the Company operates have been severely affected by the COVID-19 Pandemic, and the business environment surrounding the Company has been extremely challenging. However, despite these difficulties, the Company's directors, including the three directors subject to demand for removal, are working, together with the Company's employees and trading partners, as well as cooperation and collaboration with The Yomiuri Shimbun and Yomiuri Giants, to take the quickest and best possible action to meet the expectations of the Company's stakeholders and ensure their safety and security at the same time. In an uncertain business environment where the end of the COVID-19 Pandemic is not yet in sight and fears of a so-called "second wave" cannot be dispelled, the Company believes that only the current directors of the Company, who have the experience and track record of planning and steadily implementing the quickest and best possible responses to the COVID-19 Pandemic, would be able to recover the Company's temporarily deteriorated business performance by addressing this unprecedented crisis and continue to enhance the Company's corporate value in the future.

**(3) The Company's directors have already planned and begun to implement various strategies and measures for the improvement of the mid-to-long-term corporate**

**value.**

The directors of the Company assume that there are five main management issues within the current Group from the mid-to-long-term perspective, as follows.

1 Countermeasures against deterioration of the Tokyo Dome City facilities

45 years or more have passed since the Korakuen Hall Building and the Yellow Building were built, and 30 years or more have passed since the Tokyo Dome was built. We assume that the introduction of measures (such as electronic ticket) to resolve the inconvenience and inefficiency of the customers watching an event or going around the facilities is falling behind.

2 Appearance of the synergetic effect between each facility within the Tokyo Dome City

We assume that it is necessary to (i) strengthen an ease of going around the Tokyo Dome City more than before, and (ii) suggest to customers how to enjoy at several facilities.

3 Creation of the synergetic effect between the businesses of the Tokyo Dome Group

We assume that it is necessary to suggest a new way for customers to enjoy through coordination of the Tokyo Dome City and the outside facilities.

4 Further increase transparency of the management structure

We assume that there is still space to increase the transparency of the management structure seen from the shareholders.

5 Measures providing foresight into the prolonged effects of the COVID-19 Pandemic

Upon preparation of several scenarios regarding the period during which the effects of COVID-19 Pandemic will last, the main scenario will be assumed as the effect of COVID-19 Pandemic prolonging, and thus the Company believe that it is necessary to continuously exercise measures to maintain and improve the corporate value.

The Company assumes, as a long-term goal, that it is necessary to redevelop the Tokyo Dome City as a whole, in order to fundamentally resolve the above management issues and improve mid-to-long term corporate value of the Company. As the site of Tokyo Dome City (except for some areas) is a special location that is subject to the city planning park area, facilities such as Tokyo Dome and Tokyo Dome Hotel have been individually developed as a city planning project permitted by the Tokyo governor. Hereafter, not only through these individual developments, but also through the redevelopment of Tokyo Dome City as a whole, we will also prepare to realize “a new city development centering on sports and entertainment as a core” filled with various joys and attractions utilizing the rare characteristic of the site located in the center of Tokyo. For the realization of such a long-term goal, which is the redevelopment of Tokyo Dome City as a whole, it is necessary to establish solid business and financial foundations to realize a strong business model through a gradual approach predicting the time frame. Therefore, the Company will first initiate the comprehensive strategies A to C below for the short-term and mid-term time frames, respectively, and implement them simultaneously. While implementing these strategies, the Company will examine specific measures necessary for the redevelopment of Tokyo Dome City as a whole, appropriately and timely to respond to the expectations of various stakeholders, such as the shareholders, investors, and customers.

A) Measures for the Group's prevention of COVID-19 infections (short-term crisis

countermeasure)

As stated in (2) above, we will respond to the expectations of the customers and promoters who are willing to enjoy entertainment, with the safety and security of the customers and employees as the top priority.

- B) Renovation of Tokyo Dome in collaboration with The Yomiuri Shimbun and The Yomiuri Giants (short-to-mid-term crisis countermeasures and development strategy)

As measures to improve comfortability that could also be expected to assist the prevention of COVID-19 infection, the Company will proceed with ensuring customer pathways which will allow them to easily pass each other, by increasing the number of washrooms and visualizing the congestion situation of washrooms, and renovating the concourse, and will also conduct refurbishment, such as by installing one of Japan's largest main displays that could also be used as a digital signage, establishing a ticketless system, and digitalizing mobile ticket orders. The new main display which is planned to be installed will take time to manufacture, but it will be one of the largest in the country and will have enhanced performance.

- C) Formulation of the next mid-term management plan (mid-term crisis countermeasures and development strategy)

In the next mid-term management plan that is currently being formulated, the main purposes will be to draw up a long-term future concept for Tokyo Dome City and establish solid business and financial foundations for the realization thereof. Based on this, the financial aim will be to return profit levels to the level they were before the COVID-19 Pandemic by recovering from the crisis of the COVID-19 Pandemic and implementing a strong business model.

As stated above, the Company has considered several scenarios regarding how long the COVID-19 Pandemic will last and the how much effect it will have, and as a result, for the next mid-term management plan, we are currently considering a strategy on the premise that the effects due to COVID-19 Pandemic will be prolonged to a certain extent. So far, the Company has been developing by increasing the number of visitors. However, if the COVID-19 Pandemic will continue long-term, then we feel it necessary to shift to a strategy of increasing the profitability per customer, or, in other words, increasing customer loyalty. To realize this strategy shift, the approach to digital technology, such as the utilization of the latest beacon which has already been introduced, and the strengthening of marketing of the Group as a whole, are essential.

To achieve the above financial aim, we will strongly drive forward in the recovery of the topline by shifting to the Tokyo Dome City which would adapt to the new era and the reduction in costs through improvement of productivity, through the basic concept of the following business strategies.

- a) Shift to the Tokyo Dome City which would adapt to the new era (Smart Tokyo Dome City Concept)

Firstly, we will increase customer awareness by branding the Tokyo Dome City as "one city." By constructing a close relationship with the customer using each digital channel, and, among others, suggesting ways to enjoy and occasions for use by combining each facility in the Tokyo Dome City in accordance with the various potential needs of each customer, the Group will organize a mechanism and structure to listen to the customers' voice and enhance engagement with each customer.



Furthermore, we will resolve customers' inconvenience and inefficiency within the Tokyo Dome City. Specifically, we will consider, among others, (i) expanding the coverage of the cashless system to vending machines and other facilities although the cashless system has been adopted almost everywhere in Tokyo Dome City, (ii) increasing customers' convenience by driving forward non-contact IC and digitalization of tickets using biometric identification, (iii) increasing customers' convenience through real-time visualization of detailed guides and congestion information and other information, and (iv) introducing mobile orders at food and beverage shops in Tokyo Dome.

Moreover, we will provide entertainment integrating reality and digital. To realize this, we aim to (i) sequentially provide services integrating reality and digital, such as a sports experience using VR, (ii) provide a platform for promoters to easily deliver the best digital contents at each hall and event venue, and (iii) provide new entertainment that integrates and utilizes various data accumulated in the Tokyo Dome City.

Otherwise, we will consider building a relationship with neighborhood residents and legal entities to increase their frequency of use, through, among others, providing new services as well as developing contents that could also be enjoyed from outside of the Tokyo Dome City through collaboration with facility of outside of the Tokyo Dome City.

b) Cost reduction by increasing productivity of the whole Group

In order to further secure the recovery from the decrease of performance due to the recent COVID-19 Pandemic, we will thoroughly review inefficient business operations of all companies of the Group, and aim to fundamentally increase productivity.

Specifically, we will (i) proceed with reviewing, on a priority basis, the efficiency of business operations in accommodations that were strongly affected by COVID-19 Pandemic, (ii) reduce costs by reviewing the procurement costs of all companies, (iii) fundamentally streamline indirect operations by using digital technology, and (iv) optimize and speed-up the management's PDCA cycle by integrating customer information and management-related information.

In the case where the next mid-term management plan currently being formulated is implemented, the position and direction of the Company's future business portfolio, which will be the foundation for the realization of the redevelopment of Tokyo Dome City as a whole which is the long-term goal of the Company, will be as follows.

- a) As a core facility, the Tokyo Dome will enhance customers' experience through installation of a main display that will be one of Japan's largest, and implementation of measures for improving convenience.
- b) The Tokyo Dome Hotel will respond to new needs by conducting measures such as changing the usage of guestrooms, based on the drastic change of environment due to the effects of the COVID-19 Pandemic.
- c) Facilities within the Tokyo Dome City will create a synergetic effect by promoting the utilization and integration of digital technology and deployment of a ticket and subscription model packaging several facilities, for the main purpose of making updates to the maintenance of safety and security.

- d) In Atami business, for the purpose of enhancing its intrinsic geographical dispersion effect, it will strengthen the promotion of, among others, the accommodation and day trip plan to respond to demands for individual tours as an alternative to demands for group tour that vanished due to the COVID-19 Pandemic.
- e) In the distribution business, the Company will suggest, to customers who seek beauty and health, packages with the idea of cooperating with Spa LaQua and other companies.
- f) In the bicycle race (*keirin*) business, the Company will examine and conduct countermeasures, assessing the effects of the COVID-19 Pandemic and the popularization of internet voting.

As a project promotion system to realize the next mid-term management plan above, the Company has established the Marketing Strategy Department and Digital Strategy Department, which execute business operations in a cross-sectional manner throughout all companies and intensively devoting internal resources to both departments. In addition, the Company will proceed with the reformation by aiming to promote external professionals and actively conducting alliances with partner companies.

As above, to improve the mid-to-long-term corporate value of the Company, the directors of the Company, including the three directors subject to demand for removal, precisely grasped and analyzed the Company's management issues, and have considered in detail realistic and feasible plans over the short-term, mid-term, and long-term time frames. By steadily implementing these measures, it is expected that the Company's mid-to-long-term corporate value will be improved. The Company believes that it is important that the directors of the Company who formulated these measures are responsible for implementing the same themselves in terms of accountability to the shareholders and investors and that this is the best choice from the perspective of steadily and effectively implementing these measures.

**(4) The Company has improved the governance system for improvement of corporate value and the directors' remuneration plan**

In the Company, to increase the supervisory function, Mr. Yoshiyuki Taniguchi, who is the Representative Director and Senior Managing Director and in charge of compliance and risk management, acts as the chairman of the Board of Directors, not Mr. Tsutomu Nagaoka, who is the President and Representative Director. Furthermore, for the directors' duties to be efficiently executed, a management meeting consisting of all of the full-time directors has been established, and a governance committee consisting of the majority of independent external directors, including Mr. Nobuhiro Mori and Mr. Tomofumi Akiyama, has been established as an advisory organ of the Board of Directors. The independence and objectivity of the function of the Board of Directors and the accountability thereof are strengthened by the governance committee submitting an appropriate report to the Board of Directors in the case where the Board of Directors are to consider particularly important matters, such as the nomination and remuneration of the directors and executive officers. Moreover, at the annual general meeting of shareholders held in April 2020, election of additional one external director has been approved, making four out of ten directors independent external directors with expertise and high management supervisory functions. In addition to the above, after the annual general meeting of shareholders held in April 2020 ended, through the Company's Board of Directors and the governance committee, a further increase in the independence of the independent directors is being considered, based on the recent progress of discussion regarding the roles of the external directors and realization obtained by the engagement with the shareholders centered on the institutional investors.

Furthermore, in regard to the remuneration of the management team, a stock compensation plan was introduced starting May 2019, to aim to improve mid-to-long-term corporate value, and the Company is also working on the review of performance indicators for performance-based bonuses.

As such, the Company built a governance system to appropriately supervise the management team and reviewed the remuneration plan to grant appropriate incentives to the management team. The Company will consistently make efforts to improve these systems.

**2. The three directors subject to demand for removal are appropriate to be directors of the Company, and removal during their terms will damage the Company's corporate value**

**(1) The three directors subject to demand for removal are appropriate to be directors of the Company**

Mr. Tsutomu Nagaoka has, in addition to his experience as a manager of the Tokyo Dome, which is a core facility of the Company, engaged in business development of the Tokyo Dome City for many years, and was engaged in the development of LaQua which has attracted a favorable number of visitors since opening, among others.

Mr. Tsutomu Nagaoka has been working on the resolution of the Company's management issues while giving consideration to the interests of various stakeholders, such as shareholders and trading partners, who are the source of the Company's corporate value, on the basis of these performances extending over the business and development at the Company, and has been continuously demonstrated his leadership as a President and Representative Director, and he has contributed to sustainable improvement of corporate value, such as steadily conducting action plans listed in "Innovation" which is the current mid-term management plan, leading to the results. Also, in the formulation of the next mid-term management plan currently in progress, he leads the Smart Tokyo Dome City Concept integrating real and digital, and is proceeding with crosscutting organizational reform of the Group to realize such concept. Not only due to past performances such as these actions, but also due to the fact that he has formulated various short-term and mid-to-long-term strategies and measures seen in 1(3) above simultaneously, Mr. Tsutomu Nagaoka's experience and leadership is necessary for the Company to steadily conduct such strategies and measure, and the Company believes that he is appropriate to be a director of the Company.

Mr. Nobuhiro Mori has performed appropriate roles on supervising business execution, such as speaking actively in the Company's governance committee and utilizing rich knowledge and experience in the finance and management fields. Mr. Nobuhiro Mori resigned as a director of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.), which has a transactional relationship of loans with the Company, in April 2004, about 16 years ago, and his interests in the above bank are almost nil. In this respect, the Company established criteria for the election of directors, and, particularly regarding external directors, it is required to have knowledge and rich experience in the fields such as corporate management, law, financial accounting, administration and risk management and among which two or more external directors are not to conflict with the "Criteria for Independence" (Appendix 3) established by the Company. Further, in the case of designation as an "independent corporate officer," as stipulated by Tokyo Stock Exchange, Inc., it is a requirement not to fall under any item set forth in the "Criteria for Independence". After such decision of independence, the Company provided notification of Mr. Nobuhiro Mori becoming an "independent corporate officer," as set forth by the Tokyo Stock Exchange. In this manner, upon requesting Mr. Nobuhiro Mori to be the candidate for an external director, the Company comprehensively considered not only formal standards of his term of office, but also his professional knowledge and experience and the roles performed at the Company up to the present, among others.

In addition to many years of experience in management, Mr. Tomofumi Akiyama serves as external director in various companies engaged in the same trade as businesses of the Group, and has performed appropriate roles on supervising business execution, such as speaking actively in the Company's governance committee and utilizing rich knowledge and experience in the finance and management fields. The Company provided notification of Mr. Tomofumi Akiyama becoming an "independent officer," as stipulated by Tokyo Stock Exchange, Inc., after a determination of independence based on "Criteria for Independence," similarly to Mr. Nobuhiro Mori. In such manner, upon requesting Mr. Tomofumi Akiyama to be the candidate for external director, the Company comprehensively considered not only formal standards of his term of office, but also his professional knowledge and experience and the roles performed at the Company up to the present, among others.

Further, Mr. Nobuhiro Mori and Mr. Tomofumi Akiyama have supervised whether the Company's management policies and management plans, which the Company formulated for the resolution of the current management issues, will improve the Company's mid-to-long-term corporate value, such as by appropriately monitoring such management policies and management plans, and actively stating their opinions, based on their knowledge and experience as external directors. Thus, they have made great contributions to the improvement of the Company's financial structure, business recovery, and restructuring safety culture.

In addition to these experiences and performances, in order to ensure supervision, such as the external directors' appropriate monitoring of the formulation of the next mid-term management plan, Mr. Nobuhiro Mori and Mr. Tomofumi Akiyama, who are directors subject to demand for removal, are both considered appropriate to be directors of the Company.

**(2) Removal during the term even though there is no urgency, such as due to having engaged in unlawful conduct, will materially damage the corporate value of the Company**

After the end of the annual general meeting of shareholders held in April 2020, the Company began, and is currently in the middle of, having discussions at the governance committee aimed for further enhancement of corporate governance in the system from April 2021. Also, as mentioned above, the term of office of directors is being considered, based on the progress of recent discussions on the roles of external directors and realization obtained by the engagement with the shareholders centered on the institutional investors. Also in this respect, the Company planned to provide explanations during the dialogue with the Demanding Shareholder, and was in the middle of making specific schedule adjustments for the dialogue with the Demanding Shareholder. However, regrettably, the Company did not have an opportunity for dialogue with the Demanding Shareholder, and as the Demanding Shareholder suddenly made a demand to call an Extraordinary General Meeting of Shareholders, the Company was not able to explain to the Demanding Shareholder these measures for further enhancement of the Company's corporate governance, such as limitation on the term of office of directors above.

In this manner, at current stage where the Company is in the middle of careful examination on the system from April 2021, with the aim of further enhancement of corporate governance, removal of three directors, including the President and Representative Director, out of ten directors, and two external directors out of four external directors without any urgent reason to immediately remove directors, such as due to having engaged in unlawful conduct, will greatly reduce the governance and the driving force for the strategies, and measures of the Company, and thus materially damage the corporate value of the Company.

**3. "A Better Tokyo Dome" proposed by the Demanding Shareholder contains multiple proposals based on misunderstandings and does not suggest a scenario for improvement**

## of the mid-to-long-term corporate value during the COVID-19 Pandemic

The Company strongly recognizes that it is essential to comprehensively and consecutively formulate and implement long-term, mid-term and short-term measures, such as the next mid-term management plan, with the major purpose such as being establishment of solid business and financial foundations and change into a strong business model to realize the long-term proposition of redevelopment of the Tokyo Dome City as a whole, and prompt and accurate responses to the COVID-19 Pandemic currently faced with for the improvement of corporate value, leading to an increase in shareholder value of the Company.

The Demanding Shareholder proposes in its “A Better Tokyo Dome,” (i) drastically improving the operations of the Tokyo Dome; (ii) improving the operations of the Tokyo Dome Hotel or bringing in an outside manager; (iii) seeking a partner for the Tokyo Dome City Attractions in order to improve the customer experience; (iv) liquidating non-core assets; and (v) improving corporate governance.

However, regarding (i), the Company engages in it as a matter of course as a business operator, and the proposals by the Demanding Shareholder remains non-specific, and not in line with the realities of the Company, and there are misunderstandings, among others, in the domestic stadium business model premised. For example, the Company’s earnings do not necessarily increase by simply increasing digital signage. In order to aim for maximization of earnings through optimum combination of usual fixed signs and digital signage, as stated in 1.(3)B above, the Company drafted the plan for renovation of the Tokyo Dome through collaboration with the Yomiuri Shimbun and Yomiuri Giants, not limited to just the introduction of digital signage. Also regarding (iii), as the Tokyo Dome City Attractions are not bound to specific contents, and are able to hold various events in response to the needs at the time, and that, as they differ from so-called theme parks, there are synergy effects where customers enjoy the Tokyo Dome City Attractions while mutually using other facilities within the Tokyo Dome City. However, the Demanding Shareholder has made proposals without considering the foregoing. In response, as mentioned in 1.(3)C above, after consideration of the foregoing, the Company lays out the plan for the Tokyo Dome City which would adapt to the new era (Smart Tokyo Dome City Concept).

Also, as the details of the proposal of “A Better Tokyo Dome” announced by the Demanding Shareholder has not been changed since the announcement and is a proposal that does not consider recent environment changes due to the COVID-19 Pandemic, such proposal lacks effectiveness. For example, regarding the hotel operation of (ii), as mentioned in 1.(3)C above, there are doubts in the effects of calling outside managers to propel the Demanding Shareholder’s proposals at a time where the environment has changed drastically and inbound demands have significantly declined due to the effects of the COVID-19 Pandemic. In response, the Company plans to change the usage of guest rooms based on the drastic change of environment due to the effects of COVID-19 Pandemic, and respond to new needs. Also, regarding (iv), as mentioned in 1.(3)C, on the positioning of the direction of the business portfolio of the Company, in order to enhance the intrinsic geographical dispersion effect, Atami business will strengthen the promotion of sales of, among others, accommodation and daytrip plans to respond to demands for individual tours as an alternative to demands for group tour that vanished due to the COVID-19 Pandemic. Also, as mentioned in 1.(3)C, the bicycle race (*keirin*) business currently generates stable cash flow. However, the Company will examine and conduct countermeasures, assessing the effects of the COVID-19 Pandemic and popularization of internet voting.

Further, regarding (v), as mentioned in 1.(4) above, the Company built a governance system to appropriately supervise the management team and reviewed the remuneration plan to grant appropriate incentives to the management team. The Company will consistently make efforts to improve these systems. As mentioned in 2.(2) above, the Company believes that the shareholder’s proposal by the Demanding Shareholder will rather greatly reduce the governance

and the driving force for the strategies, and measures of the Company, and thus materially damage the corporate value of the Company.

In this manner, the contents of the Demanding Shareholder's proposal cannot be said to be in line with the Company, and does not consider environmental changes due to the effects of COVID-19 Pandemic, and the Company believes that it will not improve the Company's corporate value in the mid-to-long-term.

**4. It is not true that the Company has refused constructive dialogue with its shareholders, which is pointed out by the Demanding Shareholder**

The Company is not aware of having refused to have constructive dialogue, and it has sincerely engaged in dialogue in response to requests from the Demanding Shareholder and Oasis. However, since June 2020, which is the last time the Company had an interview with the Demanding Shareholder and Oasis, the Demanding Shareholder and Oasis have never demanded an interview. With respect to the letter dated October 7, 2020 that the Company received from Oasis, the Company replied on October 9. On October 14, it gave them specific dates to have direct dialogue and arranged the schedule for dialogue. On October 19, in the middle of such arrangement, the Company suddenly received the Demand to Call an Extraordinary General Meeting of Shareholders.

As such, the Company is still prepared to sincerely have constructive dialogue to improve the corporate value. The Company was willing to explain its strategies and measures to improve the corporate value and its efforts to enhance the corporate governance, including restrictions on the term of office of directors, which are currently being considered by the Company, and have constructive dialogue with the Demanding Shareholder and Oasis. However, unfortunately, the Company was not able to have an opportunity to do so. Still, the Company has not changed its positive stance toward constructive dialogue with its shareholders, investors, and other stakeholders, including the Demanding Shareholder and Oasis.

End

### Appendix 3

#### **“Criteria for Independence” set forth by the Company**

The Group judges the independence of external corporate officers based on the following items. In addition, a corporate officer shall be designated as an “independent corporate officer,” as stipulated by Tokyo Stock Exchange, Inc., provided that the external corporate office falls under none of the categories below.

- a. **A party for whom the Group is a major client, or a business executive thereof (a person set forth in Article 2, Paragraph 3, Item 6 of the Regulations for Enforcement of the Companies Act)**
  - “A party for whom the Group is a major client” refers to a party whose transactions with the Group amount to 2% or more of the party’s (consolidated) net sales in the most recent three fiscal years.
- b. **A major client of the Group, or a business executive thereof**
  - “A major client of the Group” refers to a party whose transactions with the Company amount to 2% or more of the Group’s consolidated net sales in the most recent three fiscal years.
- c. **A major lender of the Group, or a business executive thereof**
  - “A major lender” refers to the top three companies (including its parent, if applicable) of lenders of the Group, in terms of the balance of borrowings (including interest-bearing debt such as bonds), as of the end of the most recent fiscal year.
- d. **A major shareholder of the Group, or a business executive thereof**
  - “A major shareholder” refers to a party who directly or indirectly holds 10% or more of the voting rights of any Group company, as of the end of the most recent fiscal year.
- e. **A consultant, accounting expert, legal expert, or tax expert who receives a large amount of money or other financial benefits other than executive compensation from the Group (including an organization represented or similarly represented by such person, if the person is an individual)**
  - “A large amount of money” refers to 10 million yen or more per year for an individual, and an amount representing 2% or more of the organization’s (consolidated) net sales, for the most recent three fiscal years for an organization.
- f. **An employee or partner of the auditing firm that serves as the Group’s accounting auditor, or other accounting expert**
- g. **A business executive of an organization that receives a large amount of donations from the Group**
  - “A large amount of donations” refers to donations of 10 million yen or more per year, for the most recent three fiscal years.
- h. **A business executive of an company that has a relationship regarding the mutual appointment to office of external corporate officers with the Group**
- i. **A Director, Corporate Auditor, Executive Officer, or employee of the Group (including persons who held such positions in the past)**
- j. **The aforementioned items, a through h shall apply retrospectively to persons in the past three years, even if they do not apply currently.**

- k. The aforementioned items, a through i shall also apply to relatives within the third degree of kinship.**