

[Translation]

Securities Code: 9303

June 7, 2021

To Those Shareholders with Voting Rights

Takanori Ono
President
The Sumitomo Warehouse Co., Ltd.
2-18, Nakanoshima 3-chome,
Kita-ku, Osaka, Japan

NOTICE OF CONVOCAION OF THE 144TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 144th Ordinary General Meeting of Shareholders of The Sumitomo Warehouse Co., Ltd. (the “Company”).

From the standpoint of preventing the spread of the novel coronavirus disease (COVID-19), we strongly recommend our shareholders to exercise the voting rights in writing or by electronic means (through the Internet) as much as possible and to avoid attending in person of the General Meeting of Shareholders regardless of your health condition. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights in accordance with the guidance on pages 3 and 4 by 5:00 p.m. on Monday, June 28, 2021.

1. Date and Time: 10:00 a.m., Tuesday, June 29, 2021

2. Place: “Conference Room,” Festival Suite, 37th Floor, Nakanoshima Festival Tower
3-18, Nakanoshima 2-chome, Kita-ku, Osaka, Japan

As measures to prevent the spread of COVID-19, we will keep more space between the seats at the meeting, and, accordingly, the number of seats will be significantly reduced compared to the normal years. We greatly appreciate your understanding in advance.

3. Agenda:

Matters to be reported:

- (1) Business Report, Consolidated Financial Statements for the 144th Fiscal Term (from April 1, 2020 to March 31, 2021) and the Results of Audits on Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
- (2) Non-consolidated Financial Statements for the 144th Fiscal Term (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

- Proposal No.1:** Appropriation of Surplus
Proposal No.2: Election of Six Directors
Proposal No.3: Election of Two Corporate Auditors

<Requests to our shareholders>

- We may change the above details subject to the change in the circumstances of the infection of COVID-19 and the announcements from the government and other public bodies up until the day of the General Meeting of Shareholders. We kindly ask that you follow any information we may release on the Company's website (<https://www.sumitomo-soko.co.jp>).
- Please use hand sanitizers which will be placed at the venue check-in desk for our shareholders. We also ask our shareholders to enter the venue with a mask worn.
- If attending shareholders are found feverish or otherwise apparently unwell, we may not allow such shareholders to attend the meeting. We greatly appreciate your understanding in advance.
- The staff for the General Meeting of Shareholders will have their health conditions checked, including taking their temperature, and will wear masks.
- At this meeting, in order to shorten the meeting, we plan to avoid explaining the details of both the reporting items and agenda. We kindly request that our shareholders read the notice of convocation in advance.
- There are no gifts for shareholders attending the meeting. We greatly appreciate your understanding.

© In the event that any change is made in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated and Non-consolidated Financial Statements, such changes will be posted on our website (<https://www.sumitomo-soko.co.jp>) or in writing by mail.

Guidance on the Exercise of Voting Rights

The right to vote at the general meeting of shareholders is a principal right of shareholders.

Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders.

You may exercise your voting rights by one of the following three methods.

If you will attend the Ordinary General Meeting of Shareholders

Date and Time: 10:00 a.m., Tuesday, June 29, 2021

Shareholders attending the meeting in person are kindly requested to submit the enclosed Voting Rights Exercise Form at the reception desk of the Conference Room.

If you will not attend the Ordinary General Meeting of Shareholders

Exercising voting rights in writing

Voting Deadline: 5:00 p.m., Monday, June 28, 2021

Please indicate your approval or disapproval of each proposal on the enclosed Voting Rights Exercise Form and return it by mail so that it arrives no later than the above voting deadline.

Exercising voting rights via the Internet

Voting Deadline: 5:00 p.m., Monday, June 28, 2021

Please register your approval or disapproval for each proposal no later than the voting deadline. For further information, please see the next page.

Matters Relating to Exercise of Voting Rights

- a. When voting rights have been exercised in duplicate in writing and via the Internet, the vote received via the Internet shall be deemed valid.
- b. When voting rights have been exercised via the Internet more than once or in duplicate through personal computers, smartphones and mobile phones, the last vote received shall be deemed valid.

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 direct, indirect or any other forms of damages arising from the translation.

Guidance on the Exercise of Voting Rights via the Internet

<Scanning the QR Code “Smart Vote”>

[Voting by smartphone]

You can simply log in to the voting service website without entering your voting rights exercise code and password.

1. Please scan the QR Code printed on the lower right side of the Voting Rights Exercise Form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Register your approval or disapproval by following the instructions on the screen.
Please note that exercising voting rights by using “Smart Vote” is available only once.
If you need to change your votes after exercising your voting rights, please access the voting website for a personal computer(*) and log in by using your voting rights exercise code and password printed on the Voting Rights Exercise Form, and exercise your voting rights again.
*If you rescan the QR Code, you can access the voting website for a personal computer.

<Entering Voting Rights Exercise Code and Password>

[Voting Service Website Address] <https://www.web54.net> (This website is available in Japanese only.)

1. Please access the voting service website.
2. Enter your voting rights exercise code printed on the Voting Rights Exercise Form.
3. Enter your password printed on the Voting Rights Exercise Form.
4. Register your approval or disapproval by following the instructions on the screen.

The shareholders are requested to bear the fees for connecting with internet service providers and other telecommunication charges to access to the Voting Service Website.

If you have any inquiries regarding exercising your voting rights via the Internet, please contact the following:

Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Business Planning Department Web Support
Phone: 0120-652-031 (toll free within Japan)
Hours: 9:00 a.m. to 9:00 p.m.

Electronic Voting Platform for Institutional Investors

The “Electronic Voting Platform” operated by ICJ, Inc. is available for institutional investors that have applied in advance to use the platform.

Reference Documents for the General Meeting of Shareholders

Proposal No.1: Appropriation of Surplus

The Company worked to improve its corporate value by adopting the Three-Year Medium-Term Business Plan that started from FY2020. Regarding the dividend of surplus, the Company will maintain an annual dividend of ¥47 per share irrespective of the level of profits and aim to increase dividends consistently during the term of the Business Plan in accordance with the policy of enhancing shareholder returns.

Based on this dividend policy, the Company proposes that the year-end dividend for this fiscal term be ¥24.00 per share. The aggregate annual dividend is ¥48.00 per share with the addition of the interim dividend of ¥24.00 per share paid on December 1, 2020, and increased by ¥1.00 from the previous year's results.

As for internal reserves, the Company will appropriate them to investments, etc. to improve its corporate value, and pass them on to shareholders through business development in the future.

Matters related to the year-end dividend

- (1) Type of the dividend property:
Cash
- (2) Matters related to and the aggregate amount of the dividend property to be allotted to shareholders:
¥24.00 per ordinary share of the Company, and a total of ¥1,971,011,616 is paid.
- (3) Effective date of dividends of surplus:
June 30, 2021

Proposal No.2: Election of Six Directors

All of six Directors (including two Outside Directors) will complete their term of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of six Directors, including two Outside Directors.

The candidates for Director are as follows:

In addition, the candidates for Director are determined by the Board of Directors based on the recommendation made by the Nomination and Remuneration Committee, a voluntary advisory body to the Board of Directors.

Candidate No.	Name	Current position and duties of the Company
1	Takanori Ono Reappointment	Representative Director, President and Chief Executive Officer
2	Hiroshi Majima Reappointment	Representative Director and Senior Managing Executive Officer (responsible for Administrative, Marketing Management, and Real Estate Divisions, and in charge of General Affairs Department, Finance & Accounting Department, Business Promotion Department and Information Systems Department)
3	Katsunori So Reappointment	Director and Managing Executive Officer (responsible for Marine Division, and in charge of Marine Department)
4	Akihito Nagata New Appointment	Managing Executive Officer (in charge of Overseas Business Department, Global Logistics Department, Global Logistics Department, West Japan, International Air Cargo Department, and International Project Department)
5	Shuji Yamaguchi Reappointment A Candidate for Outside Director Independent Director/Corporate Auditor	Director
6	Hideaki Kawai Reappointment A Candidate for Outside Director Independent Director/Corporate Auditor	Director

	Career summary, position and duties of the Company, and status of important concurrent positions	
Candidate No. 1	April 1977	Joined the Company
	June 2010	Executive Officer of the Company, General Manager of Marketing Promotion Department
Takanori Ono	June 2012	Executive Officer of the Company, General Manager of Marketing Promotion Department, General Manager of International Project Department
Date of birth: December 19, 1953	June 2013	Director and Managing Executive Officer of the Company (in charge of Overseas Business Department, Marketing Promotion Department, Logistics Department No. 2 and International Project Department)
Number of shares of the Company held: 53,630 shares	June 2015	Representative Director, President and Chief Executive Officer of the Company to the present
<u>Reappointment</u>	June 2020	Chairman of Japan Warehousing Association Inc. to the present
	[Status of important concurrent positions] Chairman of Japan Warehousing Association Inc.	
	[Reasons for selection as a candidate for Director] While possessing a wealth of experience and insight fostered primarily in the international division of the Company, after assuming office as Representative Director, President, Mr. Takanori Ono heads the management of the Company with strong leadership to contribute to the improvement of corporate value of the Company. As he is expected to make further contributions going forward, he has been selected as a candidate for Director.	

Candidate No. 2 Hiroshi Majima Date of birth: September 7, 1952 Number of shares of the Company held: 62,530 shares Reappointment	Career summary, position and duties of the Company, and status of important concurrent positions	
	April 1976	Joined the Company
	June 2010	Executive Officer of the Company, General Manager of General Affairs Department
	October 2010	Executive Officer of the Company, General Manager of General Affairs Department, General Manager of Tokyo General Affairs Department
	June 2013	Director and Managing Executive Officer of the Company (in charge of General Affairs Department, Finance & Accounting Department, Business Promotion Department and Information Systems Department)
	June 2015	Representative Director and Senior Managing Executive Officer of the Company (responsible for Administrative Division, and in charge of General Affairs Department, Finance & Accounting Department, Business Promotion Department and Information Systems Department)
	June 2019	Representative Director and Senior Managing Executive Officer of the Company (responsible for Administrative, Marketing Management, and Real Estate Divisions, and in charge of General Affairs Department, Finance & Accounting Department, Business Promotion Department and Information Systems Department) to the present
	[Reasons for selection as a candidate for Director] While possessing a wealth of experience and insight fostered primarily in the administrative and marketing management divisions of the Company, Mr. Hiroshi Majima serves as the core of management of the Company as Representative Director. As he is expected to make further contributions going forward, he has been selected as a candidate for Director.	

	Career summary, position and duties of the Company, and status of important concurrent positions	
Candidate No. 3	April 1983	Joined the Company
	June 2011	General Manager, Marine Department of the Company
	June 2015	General Manager, Yokohama Branch of the Company
Katsunori So	June 2017	Executive Officer of the Company, General Manager, Yokohama Branch
Date of birth: April 5, 1959	June 2020	Director and Managing Executive Officer of the Company (responsible for Marine Division, and in charge of Marine Department)
Number of shares of the Company held: 12,700 shares		to the present
		Representative Director and President of J-WeSco Ltd. to the present
		[Status of important concurrent positions]
<u>Reappointment</u>		Representative Director and President of J-WeSco Ltd.
		[Reasons for selection as a candidate for Director]
		While possessing a wealth of experience fostered primarily in the marine division of the Company, Mr. Katsunori So serves as the core of management of the Company as Director. As he is expected to make further contributions going forward, he has been selected as a candidate for Director.

	Career summary, position and duties of the Company, and status of important concurrent positions	
Candidate No. 4	April 1985	Joined the Company
	June 2012	General Manager, Overseas Business Department of the Company
Akihito Nagata	June 2014	General Manager, Information Systems Department of the Company
Date of birth: September 20, 1961	June 2015	General Manager, Business Promotion Department and General Manager, Information Systems Department of the Company
Number of shares of the Company held: 7,500 shares	June 2019	Executive Officer of the Company, General Manager, Business Promotion Department and General Manager, Information Systems Department
<u>New Appointment</u>	June 2020	Managing Executive Officer of the Company (in charge of Overseas Business Department, Global Logistics Department, Global Logistics Department, West Japan, International Air Cargo Department, and International Project Department)
		to the present
	[Reasons for selection as a candidate for Director] While having served in the international division of the Company over the years, Mr. Akihito Nagata has overseen various organizations in the international division as Managing Executive Officer since 2020. As his experience is expected to contribute to the management of the Company, he has been selected as a candidate for Director.	

	Career summary, position and duties of the Company, and status of important concurrent positions	
Candidate No. 5 Shuji Yamaguchi Date of birth: December 27, 1956 Number of shares of the Company held: 3,400 shares <div>Reappointment</div> <div>A Candidate for Outside Director</div> <div>Independent Director/Corporate Auditor</div>	April 1982 Registered as an Attorney at Law April 1987 Joined Clyde & Co LLP in UK September 1990 Established OKABE & YAMAGUCHI(*1) March 2000 Outside Corporate Auditor of THine Electronics, Inc. June 2004 Outside Corporate Auditor of Tamai Steamship Co., Ltd. to the present January 2010 Representative Partner of OKABE & YAMAGUCHI(*1) April 2014 Member of Working Group on the Commercial Law (Transport and Maritime Commerce) in the Legislative Council of the Ministry of Justice June 2014 Corporate Auditor of the Company February 2016 Retired as the Member of Working Group on the Commercial Law (Transport and Maritime Commerce) in the Legislative Council of the Ministry of Justice March 2016 Resigned the post of Outside Corporate Auditor of THine Electronics, Inc. Outside Director of THine Electronics, Inc. (Audit and Supervisory Committee) to the present June 2017 Resigned the post of Corporate Auditor of the Company Director of the Company to the present August 2017 Representative Partner of OKABE & YAMAGUCHI (*2) to the present [Status of important concurrent positions] Representative Partner of OKABE & YAMAGUCHI (*2) Outside Director of THine Electronics, Inc. (Audit and Supervisory Committee) Outside Corporate Auditor of Tamai Steamship Co., Ltd. (*1) Japanese partnership (*2) Japanese legal professional corporation	
	[Reasons for selection as a candidate for Outside Director and an overview of the expected roles] Mr. Shuji Yamaguchi has a wealth of specialized knowledge and experience as an attorney at law mainly in the maritime field. He has given the Company proper advice from an independent position and provided supervision, advice, etc. regarding business execution during his term of office as Outside Corporate Auditor and Outside Director of the Company, and has discharged his responsibilities. As he possesses the professional knowledge and experience mentioned above and is familiar with the business operations of the Company, he is expected to continue to utilize these expertise to supervise the Company's management. Accordingly, the Company proposes that Mr. Shuji Yamaguchi be elected as Outside Director. Moreover, Mr. Shuji Yamaguchi is currently a member of the Nomination and Remuneration Committee, and in the event that his election is approved and resolved, the Company plans to ask him to continue to contribute to and provide advice regarding matters such as nominations and remuneration for Directors and Corporate Auditors as a member of the Committee. Though Mr. Shuji Yamaguchi does not have any experience in getting involved in corporate management other than serving as Outside Director or Outside Corporate Auditor, the Company believes that he can properly carry out his duties as Outside Director for the reasons mentioned above.	

	Career summary, position and duties of the Company, and status of important concurrent positions	
Candidate No. 6	April 1977	Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)
	April 2008	Executive Officer of Matsushita Electric Industrial Co., Ltd.
	April 2011	Managing Executive Officer of Panasonic Corporation
Hideaki Kawai	June 2012	Managing Director of Panasonic Corporation
	April 2014	Representative Director and Senior Managing Director of Panasonic Corporation
Date of birth: September 1, 1954	June 2017	Corporate Advisor to Panasonic Corporation
	April 2018	Associate member of Panasonic Corporation
Number of shares of the Company held: 400 shares	April 2018	Representative Director and President of Osaka Metro Co., Ltd.
		to the present
<u>Reappointment</u>	June 2020	Director of the Company
		to the present
<u>A Candidate for Outside Director</u>	[Status of important concurrent positions] Representative Director and President of Osaka Metro Co., Ltd.	
<u>Independent Director/Corporate Auditor</u>	[Reasons for selection as a candidate for Outside Director and an overview of the expected roles] While having served as the Representative Director and Senior Managing Director of Panasonic Corporation, Mr. Hideaki Kawai now serves as Representative Director and President of Osaka Metro Co., Ltd., possessing a wealth of experience and insight as a corporate manager. He has given the Company proper advice from an independent position and provided supervision, advice, etc. regarding business execution during his term of office as Outside Director of the Company, and has discharged his responsibilities. He possesses a wealth of experience and insight as mentioned above and is expected to continue to utilize these qualities to provide supervision of the Company's management. Accordingly, the Company proposes that Mr. Hideaki Kawai be elected as Outside Director. Moreover, Mr. Hideaki Kawai is currently a member of the Nomination and Remuneration Committee, and in the event that his election is approved and resolved, the Company plans to ask him to continue to contribute to and provide advice regarding matters such as nominations and remuneration for Directors and Corporate Auditors as a member of the Committee.	

- Notes: 1. Mr. Katsunori So serves as Representative Director and President of J-WeSco Ltd., our subsidiary, and the Company is entrusted with administrative agency works by the said company. No conflict of interest exists between the Company and the other candidates for Director.
2. The Company has concluded a liability limitation agreement with Mr. Shuji Yamaguchi and Mr. Hideaki Kawai, who currently serve as Outside Directors of the Company. If their election is approved and resolved, the Company plans to continue such liability limitation agreement with them. The outline of the contents of the liability limitation agreement is to define ¥10 million or the minimum amount set by the Companies Act, whichever is higher as the limit of the liability for the damages provided for in Article 423, Paragraph 1 of the Companies Act, as far as they perform their duties in good faith without gross negligence.
3. The Company has entered into a Directors and Officers liability insurance contract with an insurance company. The insurance covers damages that may arise from the insured party's assumption of liability incurred in the course of the performance of duties, or the receipt of claims pertaining to the pursuit of such liability. If the election of each candidate is approved and resolved, each candidate will become an insured under the contract. In addition, the insureds do not bear any of the premiums. The Company plans to renew the contract with the same terms and conditions in July 2021.
4. Mr. Shuji Yamaguchi and Mr. Hideaki Kawai are candidates for Outside Director.

5. In July 2016, the European Commission finalized its decision to impose a fine on Panasonic Corporation, where Mr. Hideaki Kawai served as Director until June 2017, in relation to certain conduct violating antitrust laws in connection with the company's cathode ray tube business. Panasonic Corporation also reached a settlement to pay the fine imposed by the European Commission in December 2016, in regard to certain conduct violating antitrust laws in connection with its lithium-ion battery business. In addition, Panasonic Corporation and its U.S. subsidiary, Panasonic Avionics Corporation ("PAC"), were subject to investigation for alleged violations of the U.S. Foreign Corrupt Practices Act and other securities-related laws of the U.S. with respect to certain transactions carried out by PAC with airline companies, and also with respect to appointment of agents and consultants in relation to such transactions (announcement made in February 2017). In that regard, Panasonic Corporation and PAC reached an agreement in May 2018 with the U.S. Securities and Exchange Commission and the U.S. Department of Justice requiring them to pay a fine to the U.S. government and to undertake various actions to improve compliance practices.
6. Mr. Shuji Yamaguchi will have served as Outside Director of the Company for four years at the closing of this General Meeting of Shareholders, and Mr. Hideaki Kawai will have served as Outside Director of the Company for one year at the closing of this General Meeting of Shareholders. Mr. Shuji Yamaguchi was a Corporate Auditor of the Company in the past.
7. The Company has registered Mr. Shuji Yamaguchi and Mr. Hideaki Kawai as independent directors/corporate auditors under the provisions of Tokyo Stock Exchange, Inc.
8. Mr. Shuji Yamaguchi is a Representative Partner of OKABE & YAMAGUCHI, which has transactions related to logistics operations, legal consultations, etc. with the Company, but the amount of these transactions in the most recent fiscal year were less than 0.01% of the Company's consolidated operating revenue for logistics operations, and less than 0.1% of OKABE & YAMAGUCHI's net sales for legal consultations, etc. As both are insignificant amounts, the Company has judged that they do not affect his independence. Mr. Yamaguchi has not directly contributed to these legal consultations, etc., and the Company has not concluded an advisory agreement with OKABE & YAMAGUCHI.
9. Mr. Hideaki Kawai has worked for Panasonic Corporation, which has transactions related to logistics operations and internet service with the Company, but the amount of these transactions in the most recent fiscal year were less than 0.01% of the Company's consolidated operating revenue regarding logistics operations and less than 0.01% of Panasonic Corporation's consolidated sales regarding internet service. As both are insignificant amounts, the Company has judged that they do not affect his independence.

Proposal No.3: Election of Two Corporate Auditors

Corporate Auditors Masaaki Inoue and Kazuto Takahashi will complete their terms of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of two Corporate Auditors.

The candidates for Corporate Auditor are as follows:

In addition, the candidates for Corporate Auditor are determined by the Board of Directors after receiving the approval of the Board of Corporate Auditors based on the recommendation made by the Nomination and Remuneration Committee, a voluntary advisory body to the Board of Directors.

Candidate No. 1 Akira Sakaguchi Date of birth: July 15, 1960 Number of shares of the Company held: 25,830 shares <u>New Appointment</u>	Career summary, position and status of important concurrent positions	
	April 1983 June 2012 June 2013 June 2014 June 2018	Joined the Company General Manager, Information Systems Department of the Company General Manager, General Affairs Department and General Manager, Tokyo General Affairs Department of the Company General Manager, General Affairs Department of the Company Executive Officer of the Company, General Manager, General Affairs Department to the present
	[Reasons for selection as a candidate for Corporate Auditor] Mr. Akira Sakaguchi has a wealth of experience and insight, including engagement in general affairs operations over the years at the Company. In order to utilize these qualities for auditing of the Company, he has been selected as a candidate for Corporate Auditor.	

Career summary, position and status of important concurrent positions	
Candidate No. 2	<p>April 1987 Joined Sogo Hachioji Co., Ltd.</p> <p>June 1988 Resigned Sogo Hachioji Co., Ltd.</p> <p>July 1988 Joined Hachioji City Office</p>
Kazuto Takahashi	<p>April 1992 Resigned Hachioji City Office</p> <p>October 1993 Joined Chuo Audit Corporation (later MISUZU Audit Corporation)</p>
Date of birth: October 8, 1963	<p>April 1997 Registered as Certified Public Accountant</p> <p>June 2007 Resigned MISUZU Audit Corporation</p>
Number of shares of the Company held: 0 shares	<p>August 2007 Joined KPMG AZSA & Co. (currently KPMG AZSA LLC)</p> <p>June 2016 Resigned KPMG AZSA LLC</p> <p>July 2016 Established Kazuto Takahashi Certified Public Accountant Office</p>
Reappointment	to the present
A Candidate for Outside Corporate Auditor	<p>August 2016 Registered as Certified Tax Accountant</p> <p>June 2017 Corporate Auditor of the Company</p>
Independent Director/Corporate Auditor	<p>to the present</p> <p>[Reasons for selection as a candidate for Outside Corporate Auditor] Mr. Kazuto Takahashi has considerable knowledge and experience as a Certified Public Accountant mainly in the fields of finance and accounting. As he has given the Company proper insights from the viewpoint of an independent position during his term of office as Outside Corporate Auditor of the Company, the Company proposes that Mr. Kazuto Takahashi be re-elected as Outside Corporate Auditor. Though Mr. Kazuto Takahashi does not have any experience in getting involved in corporate management other than serving as Outside Director or Outside Corporate Auditor, the Company believes that he can properly carry out his duties as Outside Corporate Auditor for the reasons mentioned above.</p>

- Notes: 1. No conflict of interest exists between the Company and the above candidates for Corporate Auditor.
2. If the election of Mr. Akira Sakaguchi is approved and resolved, the Company plans to conclude a liability limitation agreement with him. In addition, the Company has concluded a liability limitation agreement with Mr. Kazuto Takahashi, who currently serves as Corporate Auditor of the Company. If his election is approved and resolved, the Company plans to continue such liability limitation agreement with him. The outline of the contents of the liability limitation agreement is to define ¥10 million or the minimum amount set by the Companies Act, whichever is higher as the limit of the liability for the damages provided for in Article 423, Paragraph 1 of the Companies Act, as far as they perform their duties in good faith without gross negligence.
3. The Company has entered into a Directors and Officers liability insurance contract with an insurance company. The contract covers damages that may arise from the insured party's assumption of liability incurred in the course of the performance of duties, or the receipt of claims pertaining to the pursuit of such liability. If the election of each candidate is approved and resolved, each candidate will become an insured under the contract. In addition, the insureds do not bear any of the premiums. The Company plans to renew the contract with the same terms and conditions in July 2021.
4. Mr. Kazuto Takahashi is a candidate for Outside Corporate Auditor.
5. Mr. Kazuto Takahashi will have served as Outside Corporate Auditor of the Company for four years at the closing of this General Meeting of Shareholders.
6. The Company has registered Mr. Kazuto Takahashi as an independent director/corporate auditor under the provisions of Tokyo Stock Exchange, Inc.

7. Mr. Kazuto Takahashi previously worked at KPMG AZSA LLC, a firm which serves as the Accounting Auditor of the Company. However, he had never been involved in auditing operations for the Company during his term of employment and he has already resigned KPMG AZSA LLC. While the Company has transactions regarding audit engagements with the said auditing firm in the most recent fiscal year, the amount of these transactions was less than 0.1% of both the Company's consolidated operating expenses and the sales of KPMG AZSA & Co. As this is an insignificant amount, the Company has determined that such transactions do not affect his independence.