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(Stock Exchange Code 1822)
June 7, 2021

To Shareholders with Voting Rights:

Kenichi Osumi
Representative Director
DAIHO CORPORATION
24-4, Shinkawa 1-Chome, Chuo-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE 72ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

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

We are pleased to inform that the 72nd Annual General Meeting of Shareholders of DAIHO CORPORATION (the "Company") will be held for the purposes as described below.

Due to the continued spread of COVID-19, we consider the safety of our shareholders as top priority and kindly ask you to refrain from attending the meeting as much as possible and exercise your voting rights in writing or via the Internet etc.

For exercising your voting rights in advance, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Monday, June 28, 2021, Japan time.

1. **Date and Time:** Tuesday, June 29, 2021 at 10:00 a.m. Japan time

2. **Place:** 2F Conference room at the Corporate Headquarters located at 24-4, Shinkawa 1-Chome, Chuo-ku, Tokyo, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report and Consolidated Financial Statements for the Company's 72nd Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
2. Non-Consolidated Financial Statements for the Company's 72nd Fiscal Year (April 1, 2020 - March 31, 2021)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of 7 Directors
Proposal 4: Election of 4 Corporate Auditors
Proposal 5: Revision to Remuneration Limit for Directors

4. Disclosure via the Internet:

From among the document to be provided with this Notice, Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements of Consolidated Financial Statements, as well as Non-Consolidated Statements of Changes in Net Assets and Notes to Non-Consolidated Financial Statements of Non-Consolidated Financial Statements, are posted on the Company's website (https://www.daiho.co.jp) in accordance with laws and regulations as well as Article 18 of the Company's Articles of Incorporation and therefore are not provided in the Appendix of this Notice.

· When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
· Please note that we do not provide gifts for meeting attendees. We appreciate your understanding.
· Should the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, and the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (https://www.daiho.co.jp).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company holds a basic policy of maintaining and enhancing stable dividends while improving the financial strength as a basis for long-term development, and plans to secure a consolidated dividend payout ratio of 30% or more, as indicated in the Medium-term Management Plan (FY2020-22). Based on the above policy, it is proposed that the year-end cash dividend for the 72nd fiscal year be ¥110.0 per share of common stock, in comprehensive consideration of the financial results and management environment during the fiscal year under review.

Matters relating to the year-end cash dividend

(1) Matters related to the distribution of dividend properties and the total amount thereof
¥110.0 per share of the Company's common stock
Total amount of dividends ¥1,993,226,620

(2) Effective date of dividends of surplus
June 30, 2021

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

(1) Term of office of Directors

In order to clarify the management responsibilities of Directors, establish a management structure that can promptly respond to changes in the business environment, and further strengthen corporate governance, the Company proposes to shorten the term of office of Directors from the current 2 years to 1 year, and amend Article 21 (Term of Office of Directors) of the current Articles of Incorporation.

(2) Convener and Chairperson of the Board of Directors

In order to enable flexible operation of the Board of Directors and improve the objectivity and transparency of decision-making in line with the Company’s management structure, the Company proposes to amend Article 28 (Convener and Chairperson of the Board of Directors) of the current Articles of Incorporation as follows.

2. Details of amendments

The details of amendments are as follows:

The amendments to the Articles of Incorporation in this proposal shall take effect at the conclusion of this General Meeting of Shareholders.

(Amended sections are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Term of Office of Directors) Article 21 The term of office of Directors shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year that ends within two (2) years after they are elected. The term of office of Directors elected as substitutes shall be until the time of expiration of the term of office of the retired Directors.	(Term of Office of Directors) Article 21 The term of office of Directors shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year that ends within one (1) year after they are elected. (Deleted)
(Newly established)	Supplementary Provision Notwithstanding the provisions of Article 21, the term of office of Directors elected at the Annual General Meeting of Shareholders held on June 26, 2020 shall be until the conclusion of the Annual General Meeting of Shareholders to be held in 2022. This Supplementary Provision shall be deleted after the conclusion of the General Meeting of Shareholders to be held in 2022.
(Convener and Chairperson of the Board of Directors) Article 28 The Representative Director (President) shall convene the Board of Directors and serve as the Chairperson thereof. In the event that the Representative Director (President) is unable to serve as the Convener and Chairperson due to an accident, another Director, determined in accordance with an order of priority previously determined by the Board of Directors, shall convene the Board of Directors and serve as the Chairperson thereof.	(Convener and Chairperson of the Board of Directors) Article 28 The Director previously determined by the Board of Directors shall convene the Board of Directors and serve as the Chairperson thereof. In the event that the said Director is unable to serve as the Convener and Chairperson due to an accident, another Director, determined in accordance with an order of priority previously determined by the Board of Directors, shall convene the Board of Directors and serve as the Chairperson thereof.

Proposal 3: Election of 7 Directors

The terms of office of Directors Fumio Tada, Masanobu Nakasugi, Kakue Morishita, Shuichi Nagata, Tetsuro Kawaguchi, Kimiyoshi Kakitsuba, and Shizu Machino will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company proposes adding one External Director to enhance the function of management oversight and electing 7 Directors.

The candidates are as follows:

No.	Name	Positions and responsibilities at the Company	
1	Kakue Morishita	Director; Operating Vice President General Manager, Civil Engineering Division; in charge of Overseas Division	Reappointment
2	Minoru Kugimoto	Managing Executive Officer General Manager, Administration Division	New Appointment
3	Momoki Nakamura	Managing Executive Officer General Manager, Construction Division	New Appointment
4	Tatsujiro Naito	—	New Appointment External Independent
5	Kazuhiro Fujita	—	New Appointment External Independent
6	Yoshitaka Oshima	—	New Appointment External Independent
7	Yoko Atsumi	—	New Appointment External Independent Female

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">1</td><td>Kakue Morishita
(April 23, 1956)

<Reappointment>

Term of office as Director: 2 years

Attendance at the Board of Directors meetings: 14/14</td><td>April 1979 Joined the Company
October 2003 Acting General Manager, Sales Department, Hiroshima Branch
April 2005 General Manager, Sales Department, Hiroshima Branch
June 2008 General Manager, Hiroshima Branch
April 2009 General Manager, Civil Engineering Technology Department, Osaka Branch
April 2010 General Manager, Civil Engineering Sales Department, Osaka Branch
April 2013 General Manager, Kyushu Branch
April 2014 Executive Officer; General Manager, Kyushu Branch
April 2017 Executive Officer; General Manager, Nagoya Branch
April 2018 Managing Executive Officer; General Manager, Nagoya Branch
April 2019 Senior Managing Executive Officer; General Manager, Civil Engineering Division
June 2019 Director; Senior Managing Executive Officer; General Manager, Civil Engineering Division
April 2020 Director; Senior Managing Executive Officer; General Manager, Civil Engineering Division; in charge of Overseas Division
April 2021 Director; Operating Vice President; General Manager, Civil Engineering Division; in charge of Overseas Division (current position)</td><td>1,764</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for Director]
Mr. Kakue Morishita has held key positions in the civil engineering division and has abundant experience and advanced knowledge in the Company’s business activities. Since April 2019, he has supervised the civil engineering business as General Manager of the Civil Engineering Division, and since assuming the position of Director, he has been fulfilling his duties as Director, including decision-making on important management matters and supervision over business execution. The Company, therefore, nominates him as a candidate for Director again.</td></tr>
<tr><td rowspan="2">2</td><td>Minoru Kugimoto
(November 6, 1960)

<New Appointment></td><td>April 1983 Joined the Company
February 2009 Manager, Finance Section, Accounting Department, Administration Division
April 2011 Manager, General Affairs Section, General Affairs Department, Administration Division
May 2013 General Manager, General Affairs Department, Tohoku Branch
July 2017 General Manager, Accounting Department, Administration Division
April 2018 Executive Officer; General Manager, Accounting Department, Administration Division
April 2019 Managing Executive Officer; Deputy General Manager, Administration Division; General Manager, Accounting Department
April 2021 Managing Executive Officer; General Manager, Administration Division (current position)</td><td>722</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for Director]
Mr. Minoru Kugimoto has held key positions in the administration division for many years and has abundant experience and general management knowledge. Since July 2017, he has contributed to strengthening and maintaining the financial structure as General Manager of Accounting Department, Administration Division. The Company has determined that, based on these knowledge and experience, he will fulfill his duties as Director, including controlling all aspects of administrative operations, decision-making on important matters, and supervising business execution. The Company, therefore, nominates him as a candidate for new Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>Momoki Nakamura
(December 24, 1960)

<New Appointment></td><td>April 1985
April 2008

January 2010

October 2010

April 2011
January 2015

April 2016
April 2017
April 2018
April 2020

April 2021</td><td>Joined the Company
Manager, 2nd Works Section, Construction Department, Tokyo Branch
Acting General Manager, Construction Department, Tokyo Branch
Deputy General Manager, Construction Department, Tokyo Branch
General Manager, Construction Department, Tokyo Branch
Deputy General Manager; General Manager, Construction Department, Tokyo Branch
Deputy General Manager, Tokyo Branch
Executive Officer; Deputy General Manager, Tokyo Branch
Executive Officer; General Manager, Tokyo Construction Branch
Managing Executive Officer; General Manager, Tokyo Construction Branch
Managing Executive Officer; General Manager, Construction Division (current position)</td><td>940</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Mr. Momoki Nakamura has held key positions in the construction division and has abundant experience in business and advanced knowledge of all aspects of construction business operations. Since April 2018, he has contributed to improving profitability as General Manager of Tokyo Construction Branch. The Company has determined that, based on these knowledge and experience, he will fulfill his duties as Director, including controlling all aspects of construction business operations, decision-making on important matters, and supervising business execution. The Company, therefore, nominates him as a candidate for new Director.</td></tr>
<tr><td rowspan="2">4</td><td>Tatsujiro Naito
(November 26, 1957)

<New Appointment>
<External>
<Independent></td><td>April 1981
November 2002

April 2007

June 2007
April 2011

June 2011
October 2011
April 2016

June 2018
October 2018

July 2019

January 2021</td><td>Joined SUMITOMO CORPORATION
General Manager, Information Systems Department; Assistant to General Manager for the Americas (in charge of IT), Sumitomo Corporation of Americas (stationed in New York)
General Manager, Information Technologies Planning and Promotion Dept., SUMITOMO CORPORATION
Outside Director, Sumisho Computer Systems Corporation
Corporate Officer; General Manager, Network Division, Media, Network & Lifestyle Retail Business Unit, SUMITOMO CORPORATION
Outside Director, T-Gaia Corporation
Outside Director, SCSK Corporation
Director; Senior Managing Executive Officer; General Manager, Distribution Systems Business Group; General Manager, Global System Business Division; Chief Representative, China & Asia, SCSK Corporation
Joined LIXIL Corporation
Corporate Director; General Manager, SOR System Division, LIXIL Corporation
Managing Officer, Group CIO; Officer in charge of Digital Strategy Department, RIZAP GROUP, Inc.
Representative, Office The-T (current position)</td><td>0</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for External Director and expected roles]
Mr. Tatsujiro Naito has long working experience in a general trading company and management as a member of the management team in a major IT company. He is expected to enhance the supervisory function for business execution and provide advice on general management, based on his abundant experience in business companies and extensive knowledge mainly in the IT field. The Company has determined that he will fulfill his duties as Director, and therefore nominates him as a candidate for new External Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Kazuhiro Fujita
(May 5, 1965)

<New Appointment>
<External>
<Independent></td><td>October 1990

August 1994
May 1997
August 1998

October 2000

September 2001
June 2005

August 2007

August 2010

August 2010
October 2013

May 2014</td><td>Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
Registered as a certified public accountant
Established Fujita and Partners (current position)
Manager, Strategic Business Department, Deloitte Tohmatsu Consulting Co., Ltd.
Senior Manager, B2B Venture Business Department, Deloitte Tohmatsu Consulting Co., Ltd.
Senior Manager, Deloitte Consulting LLP (New York, the U.S.)
Executive Officer and Principal, ABeam Consulting Ltd.
Corporate Secretary, Regional Leader, East Region, ABeam Consulting (USA) Ltd.
Executive Officer and Principal, Manufacturing and Distribution Control Business Department; Leader, Strategic Account Management Office, ABeam Consulting Ltd.
Partner, Strategy Consulting, Global Business Service, IBM Japan, Ltd.
Registered as a certified tax accountant
Supervisory Officer, KENEDIX Private Investment Corporation (current position)
Partner, Tokyo Kyodo Accounting Office (current position)</td><td>0</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for External Director and expected roles]
Mr. Kazuhiro Fujita has many years of experience as a certified public accountant, and experience and advanced knowledge in corporate management as a business consultant. He is expected to enhance the supervisory function for business execution and provide advice on corporate accounting and corporate finance from a professional perspective. The Company has determined that he will fulfill his duties as Director, and therefore nominates him as a candidate for new External Director.</td></tr>
<tr><td rowspan="2">6</td><td>Yoshitaka Oshima
(January 20,1970)

<New Appointment>
<External>
<Independent></td><td>October 2001

October 2009

April 2012

April 2015
July 2017

October 2017</td><td>Registered as an attorney-at-law
Joined Hideyuki Sakai Law Office
Seconded to Enterprise Turnaround Initiative Corporation of Japan (currently Regional Economy Vitalization Corporation of Japan)
Partner Attorney, Bingham Sakai Mimura Aizawa (Foreign Law Joint Enterprise)
Partner Attorney, Anderson Mori & Tomotsune LPC
Established Tokyo Bay Law Office; Representative Attorney (current position)
Outside Audit & Supervisory Board Member, SG Holdings Co., Ltd. (current position)</td><td>0</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for External Director and expected roles]
Although Mr. Yoshitaka Oshima has not been directly involved in corporate management other than as an External Officer, he has professional knowledge and abundant experience as an attorney-at-law. In addition, he has contributed to the investigation of facts and the cause as the chairperson of the External Investigation Committee established in response to the discovery of misconduct by an employee of the Company that was announced in January 2021. He is expected to provide advice on general management from the perspective of enhancing the supervisory function for business execution and corporate governance. The Company has determined that he will fulfill his duties as Director, and therefore nominates him as a candidate for new External Director.
Considering that he served as the chairperson of the abovementioned External Investigation Committee and that the commission fees that the Company paid to him was less than ¥6 million, the Company determines that there is no risk of conflict of interest between him and general shareholders of the Company, and that he has sufficient independence.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">7</td><td>Yoko Atsumi
(March 12, 1984)

<New Appointment>
<External>
<Independent>
<Female></td><td>December 2009 Registered as an attorney-at-law
January 2010 Joined Nishimura & Asahi
December 2011 Seconded to Legal Department, JP Morgan Securities Japan Co., Ltd.
June 2014 Joined Law Office Hironaka
October 2017 Established Atsumi Law Office; Representative Attorney
June 2019 Outside Director, KOSAIDO Co., Ltd.
September 2019 Outside Audit & Supervisory Board Member, KIDSLINE Inc. (current position)
December 2020 Senior Partner, Head of Kojimachi Office, Atsumi & Sakai (current position)</td><td>0</td></tr>
<tr><td colspan="3">[Reasons for nomination as candidate for External Director and expected roles]
Although Ms. Yoko Atsumi has not been directly involved in corporate management other than as an External Officer, she has professional knowledge and experience as an attorney-at-law and has served as an Outside Audit & Supervisory Board Member at another company. She is expected to provide the supervisory function from an independent and objective standpoint and advice on general management based on her legal knowledge. The Company has determined that she will fulfill her duties as Director, and therefore nominates her as a candidate for new External Director.</td></tr>
</table>

(Notes)

1. There are no special interests between any of the candidates for Directors and the Company.
2. Responsibilities, etc. are as posted in the Directors and Corporate Auditors column in the Business Report (available in Japanese only).
3. Mr. Tatsujiro Naito, Mr. Kazuhiro Fujita, Mr. Yoshitaka Oshima and Ms. Yoko Atsumi are candidates for External Directors. The Company intends to designate Mr. Tatsujiro Naito, Mr. Kazuhiro Fujita, Mr. Yoshitaka Oshima and Ms. Yoko Atsumi as independent directors prescribed by the Tokyo Stock Exchange, and notify the Exchange of their appointment as independent directors.
4. Mr. Tatsujiro Naito is scheduled to be appointed as Outside Director of Mr Max Holdings Ltd. at the company's 72nd Annual General Meeting of Shareholders to be held in May 2021.
5. If the election of Mr. Tatsujiro Naito, Mr. Kazuhiro Fujita, Mr. Yoshitaka Oshima and Ms. Yoko Atsumi as Directors is approved as proposed, the Company intends to enter into an agreement with each of them to limit their liabilities under Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the same act. The maximum amount of liability pursuant to the agreement is ¥10 million or the minimum amount of liability stipulated in Article 425, Paragraph 1 of the same act, whichever is higher.
6. The Company shall enter into a directors and officers liability insurance agreement with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance agreement will cover damages that may arise due to the insured directors and officers assuming liability for the execution of their duties, or receiving a claim for the pursuit of such liability. Each candidate shall be included as an insured under the said insurance agreement. The insurance agreement is scheduled to be renewed on July 1, 2021.

Proposal 4: Election of 4 Corporate Auditors

The terms of office of Corporate Auditors Yoshiyuki Kiya, Kazuo Hashimoto and Ryosuke Harada will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company proposes adding one External Corporate Auditor to strengthen and enhance the audit system and electing 4 Corporate Auditors.

The Board of Corporate Auditors has previously given its approval to this proposal.

The candidates are as follows:

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">1</td><td>Kenzo Akiba
(March 5, 1960)

<New Appointment></td><td>April 1982
July 2006

February 2009

July 2012

July 2017
April 2021</td><td>Joined the Company
Manager, Finance Section, Accounting Department, Administration Division
Manager, Accounting Section, Accounting Department, Administration Division
General Manager, Accounting Department, Administration Division, Morimoto Corporation
General Manager, General Affairs Department, Tohoku Branch
Assistant Manager, Administration Division (current position)</td><td>659</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Corporate Auditor]
Mr. Kenzo Akiba has held key positions in the accounting divisions of the Company and its important subsidiary. The Company has determined that, based on his abundant knowledge and extensive experience in finance and accounting, he will be able to appropriately perform his duties as full-time Corporate Auditor, and therefore nominates him as a candidate for new Corporate Auditor.</td></tr>
<tr><td rowspan="2">2</td><td>Yoshiaki Osumi
(December 8, 1957)

<New Appointment>
<External>
<Independent></td><td>April 1982
July 2004

July 2006

July 2008

July 2010

July 2012

July 2014

July 2015
July 2016

July 2017

August 2018</td><td>Joined Tokyo Regional Taxation Bureau
Deputy Director, Accounts Division, Commissioner’s Secretariat, National Tax Agency
Deputy District Director, Shinagawa Tax Office, Tokyo Regional Taxation Bureau
Special Examiner, Sagamihara Tax Office, Tokyo Regional Taxation Bureau
Internal Inspector, Tokyo Regional Taxation Bureau, Commissioner’s Secretariat, National Tax Agency
District Director, Miyakojima Tax Office, Okinawa Regional Taxation Office
District Director, Sagamihara Tax Office, Tokyo Regional Taxation Bureau
Director, Accounts Division, Tokyo Regional Taxation Bureau
Deputy Assistant Regional Commissioner, Planning and Administration Department, Tokyo Regional Taxation Bureau
District Director, Kojimachi Tax Office, Tokyo Regional Taxation Bureau
Registered as a certified tax accountant and established Yoshiaki Osumi Tax Accountant Office (current position)</td><td>0</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for External Corporate Auditor]
Although Mr. Yoshiaki Osumi has not been directly involved in corporate management except as an External Officer, he has been involved in national tax administration for many years, and has knowledge and abundant experience in tax accounting. The Company has determined that he will appropriately provide oversight and supervision from a neutral and fair standpoint as an External Corporate Audit of the Company, and therefore nominates him as a candidate for new External Corporate Auditor.</td></tr>
</table>

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
3	Shoichi Takeuchi (June 15, 1963) <New Appointment> <External> <Independent>	October 1992 Joined Aoyama Audit Corporation (currently PricewaterhouseCoopers Aarata LLC) March 1998 Registered as a certified public accountant January 2000 Registered as a certified tax accountant and established Takeuchi Certified Public Accountant and Tax Accountant Office (current position) August 2016 Outside Corporate Auditor, Maezawa Industries, Inc. (current position)	0
	[Reasons for nomination as candidate for External Corporate Auditor] Although Mr. Shoichi Takeuchi has not been directly involved in corporate management except as an External Officer, he has abundant knowledge and experience regarding corporate accounting and finance as a certified public accountant and certified tax accountant. The Company has determined that he will appropriately provide oversight and supervision from a neutral and objective standpoint as an External Corporate Auditor of the Company, and therefore nominates him as a candidate for new External Corporate Auditor.		
4	Noriko Ichiba (May 15, 1971) <New Appointment> <External> <Independent> <Female>	October 1992 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) July 1997 Joined Tadao Kato Accounting Office August 1999 Joined Taiyo Audit Corporation (currently Grant Thornton Taiyo LLC) May 2000 Registered as a certified public accountant November 2002 Established Ichiba Certified Public Accountant Office August 2006 Joined COMPASS Co. Ltd. (current position) August 2008 Registered as a certified tax accountant October 2008 Established UPRISE Certified Tax Accountant's Co. (current position)	0
	[Reasons for nomination as candidate for External Corporate Auditor] Although Ms. Noriko Ichiba has not been directly involved in corporate management except as an External Officer, she has been involved in accounting audits of publicly held corporations as a certified public accountant and has abundant experience and professional knowledge regarding accounting and finance. The Company has determined that she will appropriately provide oversight and supervision from an objective and fair standpoint as an External Corporate Auditor of the Company, and therefore nominates her as a candidate for new External Corporate Auditor.		

(Notes)

1. There are no special interests between any of the candidates for Corporate Auditors and the Company.
2. Mr. Yoshiaki Osumi, Mr. Shoichi Takeuchi and Ms. Noriko Ichiba are candidates for External Corporate Auditors. The Company intends to designate Mr. Yoshiaki Osumi, Mr. Shoichi Takeuchi and Ms. Noriko Ichiba as independent auditors prescribed by the Tokyo Stock Exchange, and notify the Exchange of their appointment as independent auditors.
3. If the election of Mr. Kenzo Akiba, Mr. Yoshiaki Osumi, Mr. Shoichi Takeuchi and Ms. Noriko Ichiba as Corporate Auditors is approved as proposed, the Company intends to enter into an agreement with each of them to limit their liabilities under Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the same act. The maximum amount of liability pursuant to the agreement is ¥10 million or the minimum amount of liability stipulated in Article 425, Paragraph 1 of the same act, whichever is higher.
4. The Company shall enter into a directors and officers liability insurance agreement with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance agreement will cover damages that may arise due to the insured directors and officers assuming liability for the execution of their duties, or receiving a claim for the pursuit of such liability. Each candidate shall be included as an insured under the said insurance agreement. The insurance agreement is scheduled to be renewed on July 1, 2021.

Independence Criteria for External Officers

The Company determines that the independence of external officers will not be satisfied if an external officer falls under any of the following items.

1. A person who is or was a business executor (an executive director, executive officer, or an employee, the same applies hereinafter) of the Company or any of the Company's subsidiaries or affiliates (hereinafter referred to as the "Group")
2. A person who directly or indirectly holds 10% or more of the total voting rights of the Company or a business executor thereof, or a person who held 10% or more of the total voting rights of the Company or a business executor thereof in any of the past 3 years
3. A person who is a business executor of a person of whom the Group directly or indirectly holds 10% or more of the total voting rights, or a person who was a business executor of such person in any of the past 3 years
4. A person who is a business executor, corporate auditor, or accounting advisor of a company, or its parent company, subsidiary, or affiliated company that receives a director or corporate auditor from the Group
5. A person for whom the Group is a major business partner in any of the past 3 fiscal years (a person who has received payment of an amount equivalent to 2% or more of its annual consolidated net sales from the Group in any of the past 3 fiscal years), or a business executor thereof
6. A person who is a major business partner of the Group in any of the past 3 fiscal years (a person who paid an amount equivalent to 2% or more of the Company's annual consolidated net sales to the Group in any of the past 3 fiscal years, or a person who provided the Group with monetary loans equivalent to 2% or more of the Company's consolidated total assets in any of the past three fiscal years), or a business executor thereof
7. A person who is a professional, such as a certified public accountant, attorney-at-law, certified tax accountant, or consultant, who has received monetary or other property benefits exceeding ¥10 million per year, other than officer remuneration, from the Group in any of the past 3 years (if the person receiving remuneration is a legal entity, etc., a person affiliated with such legal entity, etc.)
8. A person who has received donations or subsidies exceeding ¥10 million per year from the Group in any of the past 3 years, or a director, business executor, or an equivalent person of such person's organization
9. A person who is a spouse, relative within the second degree of relationship or a relative living together of the person who falls under any of the items 1 through 8 above

Proposal 5: Revision to Remuneration Limit for Directors

The 70th Annual General Meeting of Shareholders held on June 27, 2019 approved a proposal to set the upper limit of remuneration for the Company's Directors at ¥180 million per year (up to ¥15 million of which is for External Directors). The upper limit has remained unchanged since then. However, if Proposal 3 is approved as originally proposed, there will be one more External Director.

Accordingly, with the addition of one External Director, the Company proposes keeping the upper limit of remuneration for Directors at ¥180 million per year and revising only the upper limit of remuneration for External Directors from ¥15 million per year to ¥30 million per year.

As in the past, the remuneration limit for Directors does not include the salaries as employees for Directors who concurrently serve as employees.

The current number of Directors is 8 (3 of which are External Directors). If Proposal 3 is approved as originally proposed, the number of Directors will be 8 (4 of which are External Directors).