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(Stock Exchange Code 9422)  
June 4, 2021

**To Shareholders with Voting Rights:**

Hiroshi Suguta  
President  
CONEXIO Corporation  
8-17-1 Nishi-Shinjuku, Shinjuku-ku,  
Tokyo

**NOTICE OF  
THE 24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

It is our pleasure to inform you of the 24th Annual General Meeting of Shareholders of CONEXIO Corporation (the “Company”). The meeting will be held for the purposes as described below.

If you choose not to attend the meeting, you can exercise your voting rights in writing or via the Internet.

If exercising your voting rights in writing or via the Internet, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by the deadline of 6:00 p.m. on Tuesday, June 22, 2021, Japan time by indicating your vote for or against the proposals.

- 1. Date and Time:** Wednesday, June 23, 2021 at 10:30 a.m. Japan time  
(The reception is scheduled to open at 10:00 a.m.)
- 2. Place:** Conference Center of BELLESALLE SHINJUKU GRAND, 5F SUMITOMO  
FUDOSAN SHINJUKU GRAND TOWER located at  
8-17-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
- 3. Meeting Agenda:**
  - Matters to be reported:** The Business Report and Financial Statements for the Company’s 24th Fiscal Year (April 1, 2020 - March 31, 2021)
  - Proposals to be resolved:**
    - Proposal 1:** Dividends of Surplus
    - Proposal 2:** Partial Amendment to the Articles of Incorporation
    - Proposal 3:** Election of Eight (8) Board Directors
    - Proposal 4:** Election of Two (2) Corporate Auditors
    - Proposal 5:** Election of One (1) Substitute Corporate Auditor
    - Proposal 6:** Revision of Amount of Compensation for Directors

**Points to Note with Regard to the Annual General Meeting of Shareholders**

1. The financial statements of the Company for the fiscal year ended March 31, 2021 are contained in the “Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021”, which is posted on its website.
2. Should the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company’s website.
3. If you wish to exercise your voting rights by casting split votes, please notify the Company in writing to that effect, together with the reason(s) therefor, at least three days in advance of the General Meeting of Shareholders.

The Company’s website: <https://www.conexio.co.jp>

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Dividends of Surplus

The return of profit to our Shareholders is one of the top priorities for the management of the Company. Our basic policy for the allocation of profit is to endeavor to improve our operational results in order to achieve the continual and stable payment of dividends, with a target payout ratio of about 40%.

Based on this policy, we propose the payment of ¥35.0 per share as the year-end dividend for the 24th fiscal year as described below, in comprehensive consideration of the operational results for the fiscal year under review, the stable distribution of dividends, and other factors.

This, together with ¥30.0 per share of the interim dividend, will result in a total annual dividend of ¥65.0 per share for the fiscal year under review, an increase of ¥5.0 per share as compared to the previous year.

#### [Matters Relating to the Year-end Dividend]

1. Type of dividend property:  
Cash
2. Matters relating to the allocation of the dividend property and the aggregate amount:  
¥35.0 per share of common stock of the Company  
Aggregate amount of the dividend: ¥1,565,822,475
3. Effective date of the dividend from surplus:  
June 24, 2021

**Proposal 2:** Partial Amendments to the Articles of Incorporation

1. Reason for the proposal

- (1) The Company currently has multiple offices in Tokyo. In order to integrate these into the head office in an effort to reduce fixed costs and at the same time adopt more productive and flexible working methods, encourage cooperation and increase efficiency among departments, reduce business continuity risks and enhance the workplace environment, the head office is to be relocated to Minato-ku in Tokyo. In line with this, the address of the Company's head office stated in Article 3 of the current Articles of Incorporation shall be changed from Shinjuku-ku, Tokyo to Minato-ku, Tokyo.
- (2) The amendment to the Articles of Incorporation mentioned in (1) above shall be effective as of the date of relocation of the head office, which will be determined at a Board of Directors meeting to be held before April 30, 2022. This fact is detailed in a newly added supplementary provision, and the said provision shall be deleted after the effective date of the relocation of the head office.

2. Details of the amendments

The details of the amendments are as follows:

(Changes are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>CHAPTER 1. GENERAL PROVISIONS</p> <p>Article 3 (Location of Head Office) The head office of the Company shall be located in <u>Shinjuku-ku</u>, Tokyo.</p> <p><u>SUPPLEMENTARY PROVISION</u> <u>(Newly added)</u></p>	<p>CHAPTER 1. GENERAL PROVISIONS</p> <p>Article 3 (Location of Head Office) The head office of the Company shall be located in <u>Minato-ku</u>, Tokyo.</p> <p><u>SUPPLEMENTARY PROVISION</u> <u>28. The amendment to Article 3 shall become effective as of the date of the relocation of the head office, which will be determined at a Board of Directors meeting held before April 30, 2022. This Supplementary Provision shall be deleted after the effective date of the relocation of the head office.</u></p>

**Proposal 3: Election of Eight (8) Board Directors**

The terms of office of all current eight (8) Board Directors will expire at the conclusion of this General Meeting. Accordingly, the election of eight (8) Board Directors is proposed.

The structure of the Board of Directors, the policy and proceedings for nominating candidates for Board Directors, and the candidates for Board Directors are as follows:

**(Structure of the Board of Directors)**

As for the structure of the Board of Directors, we will ensure a certain number of the Board Directors and Corporate Auditors (excluding Outside Board Directors and Outside Corporate Auditors) as appropriate to handle sales, control, administration and management planning functions, and thereupon will select Outside Board Directors and Outside Corporate Auditors from among persons who are possessed of versatile professional knowledge and backgrounds and are familiar with management, legal affairs, accounting and finance, in order to diversify the knowledge, experience and capabilities of the Board members. From the perspective of internationality, several Board Directors have extensive experience in business overseas. From the perspective of gender diversity, in view of the importance of providing services based on an understanding of women's values, with women constituting around half of the Company's customers and employees, one female Board Director was appointed. In order to agilely establish an optimum management system of Board Directors, the Articles of Incorporation of the Company stipulate that the number of Board Directors shall be 10 or less and their terms of office shall be one (1) year.

**(Policy and Proceedings for Nominating Candidates for Board Directors)**

For the nomination of candidates for Board Directors, following a deliberation by the Nomination and Compensation Committee, the President proposes a roster to the Board of Directors in accordance with the nomination criteria set by the Board (see below), and the Board of Directors thereupon makes a decision on the proposed roster.

**[Nomination Criteria for Board Directors (Excluding Outside Board Directors)]**


Persons of integrity who have sufficient practical experience in the information and communications technology industry and/or high level of capabilities and insight for management.


Note: The nomination criteria for Outside Board Directors / Outside Corporate Auditors and the criteria for judging their independence are disclosed on pages 17-18.

## (The List of Candidates for Directors)


No.	Name	Current positions and responsibilities in the Company	Attendance at the meetings of the Board of Directors
1	[Re-appointed] <b>Hiroo Inoue</b>	Chairman	100% (20/20)
2	[Re-appointed] <b>Hiroshi Suguta</b>	President Chairman of the Nomination and Compensation Committee Member of the Governance Committee	100% (20/20)
3	[Re-appointed] <b>Riichiro Metoki</b>	Board Director and Senior Managing Executive Officer General Manager, Consumer Business Group	100% (20/20)
4	[Re-appointed] <b>Shinji Nakata</b>	Board Director and Managing Executive Officer General Manager, Administration Group Chief Compliance Officer Officer in charge of Investor Relations Member of the Governance Committee	100% (20/20)
5	[Re-appointed] <b>Hiroshi Kajiwara</b>	Board Director (Part-time) Member of the Nomination and Compensation Committee Member of the Governance Committee	100% (20/20)
6	[Re-appointed] <b>Kazuo Hosoi</b> [Outside Board Director] [Independent Officer]	Chief Independent Outside Board Director Member of the Nomination and Compensation Committee Chairman of the Governance Committee	100% (20/20)
7	[Re-appointed] <b>Yuka Kawauchi</b> [Outside Board Director] [Independent Officer]	Independent Outside Board Director Member of the Nomination and Compensation Committee Member of the Governance Committee	100% (20/20)
8	[Re-appointed] <b>Kazuyuki Shinno</b> [Outside Board Director] [Independent Officer]	Independent Outside Board Director Member of the Nomination and Compensation Committee Member of the Governance Committee	100% (18/18)


Note: Mr. Kazuyuki Shinno was newly elected and assumed office as Director at the 23rd Annual General Meeting of Shareholders, held on June 23, 2020. His attendance at the meetings of the Board of Directors is shown for the period after his assumption of office.


No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 <p>Hiroo Inoue (August 21, 1952)</p> <p>[Re-appointed]</p> <p>Term of office as a Board Director: 9 years</p>	<p>April 1975    Joined ITOCHU Corporation</p> <p>April 2008    President, Space, Information &amp; Multimedia Company, ITOCHU Corporation</p> <p>June 2008    Representative Director and Managing Director, ITOCHU Corporation</p> <p>April 2009    President, ICT, Aerospace &amp; Electronics Company, ITOCHU Corporation</p> <p>April 2010    Representative Director and Managing Executive Officer, ITOCHU Corporation</p> <p>April 2011    Senior Managing Executive Officer, Officer in charge of Services Business Segment and Officer responsible for Maintenance and Operations Services Business Group of ITOCHU Techno-Solutions Corporation</p> <p>June 2011    Director and Senior Managing Executive Officer, ITOCHU Techno-Solutions Corporation</p> <p>April 2012    Vice President and Executive Officer of the Company</p> <p>June 2012    Board Director, Vice President, Executive Officer, Executive Advisory Officer and Responsible for Sales Division No.3 of the Company</p> <p>October 2012    Board Director, Vice President, Executive Officer, Executive Advisory Officer and Chief Operating Officer, Corporate Business Division of the Company</p> <p>April 2013    President of the Company</p> <p>December 2014    Vice Chairman of National Association of Mobile-phone Distributors (to present)</p> <p>April 2021    Chairman of the Company (to present)</p> <p>Reasons for nominating Mr. Hiroo Inoue as a candidate for Board Director: Mr. Hiroo Inoue has garnered sufficient experience in the ICT business and as Board Director. He also has acquired great knowledge and insight for management in his positions such as President of the Company, and has served as the Chairman of the Company since April 2021.</p>	30,300



No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	 <p>Hiroshi Suguta (September 8, 1957)</p> <p>[Re-appointed]</p> <p>Term of office as a Board Director: 7 years</p>	<p>April 1981      Joined ITOCHU Corporation</p> <p>April 2006      General Manager, Planning &amp; Administration Department and Chief Information Officer, Space, Information &amp; Multimedia Company of ITOCHU Corporation</p> <p>April 2008      Deputy Chief Operating Officer, Information Industry Division of ITOCHU Corporation</p> <p>April 2009      General Manager, Overseas Market Department of ITOCHU Corporation</p> <p>April 2011      Deputy Chief Operating Officer, ICT Division of ITOCHU Corporation</p> <p>April 2012      President and CEO of ITOCHU Cable Systems Corporation</p> <p>April 2014      Managing Executive Officer and General Manager, Corporate Planning Division of the Company</p> <p>June 2014      Board Director, Managing Executive Officer and General Manager, Corporate Planning Division of the Company</p> <p>April 2017      Board Director, Managing Executive Officer Responsible for Operational Functions and Chief Compliance Officer and General Manager, Corporate Planning Division of the Company</p> <p>June 2017      Board Director, Senior Managing Executive Officer Responsible for Operational Functions and Chief Compliance Officer and General Manager, Corporate Planning Division of the Company</p> <p>April 2018      Board Director, Senior Managing Executive Officer Responsible for Operational Functions and Chief Compliance Officer and Responsible for Sales (in charge of Corporate Business)</p> <p>April 2019      Board Director and Senior Managing Executive Officer and General Manager, Corporate Business Group of the Company</p> <p>April 2021      President of the Company (to present)</p> <p>Reasons for nominating Mr. Hiroshi Suguta as a candidate for Board Director: Mr. Hiroshi Suguta has garnered sufficient experience in the ICT business and as Board Director. He has also acquired great knowledge and insight for management as he had been in charge of general management of the Corporate Planning Division, Responsible for Operational Functions and Sales (in charge of Corporate Business), and in charge of general management of Corporate Business Group, and has served as the Chairman of the Board of Directors as the President of the Company since April 2021.</p>	12,400




No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	 <p>Riichiro Metoki (September 3, 1959)</p> <p>[Re-appointed]</p> <p>Term of office as a Board Director: 7 years</p>	<p>April 1982      Joined ITOCHU Corporation</p> <p>October 2003    Manager, Broadband Business Section, ICT Business Department of ITOCHU Corporation</p> <p>April 2004      Assistant General Manager, Solution Business Division of the Company</p> <p>June 2007      Executive Officer, General Manager, Sales Division No.3 and Solution Business Department of the Company</p> <p>April 2010      Executive Officer and General Manager, Corporate Planning Department of the Company</p> <p>June 2012      Managing Executive Officer and General Manager, Corporate Planning Department of the Company</p> <p>October 2012    Managing Executive Officer and General Manager, Corporate Planning Division of the Company</p> <p>April 2013      Managing Executive Officer and General Manager, Corporate Business Group of the Company</p> <p>June 2014      Board Director, Managing Executive Officer and General Manager, Corporate Business Group of the Company</p> <p>April 2015      Board Director, Managing Executive Officer Responsible for Sales and General Manager, Corporate Sales Division No.2 of the Company</p> <p>June 2015      Board Director, Senior Managing Executive Officer Responsible for Sales and General Manager, Corporate Sales Division No.2 of the Company</p> <p>April 2016      Board Director and Senior Managing Executive Officer Responsible for Sales of the Company</p> <p>April 2017      Board Director and Senior Managing Executive Officer Responsible for Sales (in charge of Consumer Business) of the Company</p> <p>April 2019      Board Director and Senior Managing Executive Officer and General Manager, Consumer Business Group of the Company (to present)</p> <p>Reasons for nominating Mr. Riichiro Metoki as a candidate for Board Director: Mr. Riichiro Metoki has garnered sufficient experience in the ICT business and great knowledge and insight in Consumer Business of the Company as General Manager of each Sales Division and Corporate Planning Division and the Executive Officer Responsible for Sales of the Company, and currently serves as Board Director and Senior Managing Executive Officer and General Manager, Consumer Business Group.</p>	41,400

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	 <p>Shinji Nakata (July 17, 1963)</p> <p>[Re-appointed]</p> <p>Term of office as a Board Director: 2 years</p>	<p>April 1986      Joined ITOCHU Corporation</p> <p>December 2000      Joined Tohmatsu Consulting Co., Ltd.</p> <p>September 2002      Deputy General Manager, General Affairs Department of the Company</p> <p>April 2003      General Manager, Corporate Planning Department of the Company</p> <p>April 2004      General Manager, Finance and Accounting Department and General Manager, Information Systems Department of the Company</p> <p>June 2005      Executive Officer and General Manager, Finance and Accounting Department of the Company</p> <p>June 2008      Executive Officer and General Manager, Function Division and Human Resources and General Affairs Department of the Company</p> <p>June 2010      Managing Executive Officer, General Manager, Function Division and Human Resources and General Affairs Department of the Company</p> <p>October 2012      Managing Executive Officer and General Manager, Corporate Administration Division of the Company</p> <p>April 2014      Managing Executive Officer and General Manager, Shop Sales Division No.1 of the Company</p> <p>April 2017      Managing Executive Officer and General Manager, Shop Sales Division No.4 of the Company</p> <p>April 2019      Managing Executive Officer and General Manager, Administration Group and Chief Compliance Officer of the Company</p> <p>June 2019      Board Director and Managing Executive Officer and General Manager, Administration Group and Chief Compliance Officer of the Company (to present)</p> <p>Reasons for nominating Mr. Shinji Nakata as a candidate for Board Director: Mr. Shinji Nakata has garnered sufficient experience in the ICT business. He has also acquired great knowledge and insight in finance, corporate planning, human resources and shop sales as he had been in charge of general management of the Administration Division and General Manager of Shop Sales Divisions, and currently serves as Board Director and Managing Executive Officer and General Manager, Administration Group and Chief Compliance Officer.</p>	11,000

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	 <p>Hiroshi Kajiwara (December 23, 1966)</p> <p>[Re-appointed]</p> <p>Term of office as a Board Director: 5 years</p>	<p>April 1990      Joined ITOCHU Corporation</p> <p>July 2010      Director of ITOCHU Cable Systems Corporation</p> <p>April 2011      Director of TMT VENTURE, Inc.</p> <p>April 2011      Manager, Communication Network Section, Communication &amp; Mobile Business Department of ITOCHU Corporation</p> <p>June 2012      Outside Director of SPACE SHOWER NETWORKS INC. (to present)</p> <p>March 2013      CEO of FI Media Project, Inc.</p> <p>April 2013      Deputy General Manager, Communication &amp; Mobile Business Department and Manager, Communication &amp; Mobile Business First Section of ITOCHU Corporation</p> <p>March 2015      Outside Director of Asurion Japan K.K. (to present)</p> <p>April 2015      General Manager, Communication &amp; Mobile Business Department of ITOCHU Corporation</p> <p>April 2016      Representative Director of ITOCHU Fuji Partners, Inc. (to present)</p> <p>June 2016      Board Director of the Company (to present)</p> <p>April 2017      Deputy Chief Operating Officer, ICT Division of ITOCHU Corporation</p> <p>April 2020      Chief Operating Officer, ICT Division of ITOCHU Corporation</p> <p>June 2020      Director of ITOCHU Techno-Solutions Corporation (to present)</p> <p>April 2021      Executive Officer, Chief Operating Officer, ICT Division of ITOCHU Corporation (to present)</p> <p>Reasons for nominating Mr. Hiroshi Kajiwara as a candidate for Board Director: Mr. Hiroshi Kajiwara has deep knowledge about the Company's business affairs and management status as the Chief Operating Officer of ICT Division of ITOCHU Corporation, the parent company of the Company, and has experience serving as an Outside Director of another company. Based on such experience and knowledge, we believe that Mr. Kajiwara is able to provide advices on the management of the Company as a whole and to help strengthen the Company's function to monitor the execution of duties by the Board Directors.</p>	-

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	 <p>Kazuo Hosoi (February 1, 1959)</p> <p>[Re-appointed] [Outside Board Director] [Independent Officer]</p> <p>Term of office as an Outside Board Director: 6 years</p>	<p>February 1986 Joined IBM Japan, Ltd.</p> <p>April 2008 Representative Director of Cognos Japan</p> <p>June 2009 Managing Executive Officer of Sun Microsystems Japan</p> <p>June 2010 Executive Officer of Oracle Corporation Japan</p> <p>March 2012 President and Representative Director of Gexeed Co., Ltd.</p> <p>May 2014 Senior Executive Officer and General Manager, Solution Division of T.D.I.CO., LTD. (Technological Development of Information-processing)</p> <p>June 2015 Outside Board Director of the Company (to present)</p> <p>April 2016 Senior Executive Officer and Chief Operating Officer, Solution Division of T.D.I.CO., LTD.</p> <p>June 2017 Director, Senior Executive Officer and Chief Operating Officer, Solution Division of T.D.I.CO., LTD. (to present)</p> <p>June 2018 Director of TDI Product Solution CO., LTD. (to present)</p> <p>Reasons for nominating Mr. Kazuo Hosoi as a candidate for Outside Board Director and overview of expected roles:</p> <p>Mr. Kazuo Hosoi has sufficient experience and broad knowledge and insight as a manager as well as high expertise in the field of information technology. We believe he is able to help strengthen the Company's function to monitor the execution of duties by the Board Directors.</p> <p>Based on the above experience, we expect him to take roles on giving advice to the businesses of the Company, deliberating material management matters at the Board of Directors of the Company and monitoring the management of the Company.</p>	-
7	 <p>Yuka Kawauchi (December 11, 1959)</p> <p>[Re-appointed] [Outside Board Director] [Independent Officer]</p> <p>Term of office as an Outside Board Director: 2 years</p>	<p>April 1982 Joined World Co., Ltd.</p> <p>April 1990 Director, General Manager of Sales Department, General Manager of Human Resources Department of Store Operation Co., Ltd.</p> <p>April 2000 General Manager of Store Operation Control Department of World Co., Ltd.</p> <p>May 2000 Director of World Fashion Link Co., Ltd. (now World Store Partners Co., Ltd.)</p> <p>October 2000 Representative Director of World Store Partners Co., Ltd.</p> <p>October 2001 Director of MOT Creation LLC (now MOT creation Co. Ltd.)</p> <p>February 2008 Representative Director of MOT creation Co. Ltd. (to present)</p> <p>June 2019 Outside Board Director of the Company (to present)</p> <p>Reasons for nominating Ms. Yuka Kawauchi as a candidate for Outside Board Director and overview of expected roles:</p> <p>Ms. Yuka Kawauchi has sufficient experience and broad knowledge and insight as a manager as well as high expertise in the field of human capital resources development. We believe she is able to help strengthen the Company's function to monitor the execution of duties by the Board Directors.</p> <p>Based on the above experience, we expect her to take roles on giving advice to the businesses of the Company, deliberating material management matters at the Board of Directors of the Company and monitoring the management of the Company.</p>	-

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	 Kazuyuki Shinno (March 7, 1954)  [Re-appointed] [Outside Board Director] [Independent Officer]  Term of office as an Outside Board Director: 1 year	April 1976    Joined Computer Engineering & Consulting Ltd. April 1997    Director and General Manager, Network Integration Business Department, Computer Engineering & Consulting Ltd. February 2005   Representative Director of Computer Engineering & Consulting Ltd. June 2013    Director, Konica Minolta Business Solutions Japan Co., Ltd. (currently Konica Minolta Japan, Inc.) July 2017    Representative Director, Digital Insight Technology Co., Ltd. (to present) June 2020    Outside Board Director of the Company (to present) April 2021    Director, BitBrain Corporation (to present)  Reasons for nominating Mr. Kazuyuki Shinno as a candidate for Outside Board Director and overview of expected roles: Mr. Kazuyuki Shinno has sufficient experience and broad knowledge and insight as a manager as well as high expertise in the field of information technology. We believe he is able to help strengthen the Company's function to monitor the execution of duties by the Board Directors. Based on the above experience, we expect him to take roles on giving advice to the businesses of the Company, deliberating material management matters at the Board of Directors of the Company and monitoring the management of the Company.	-

Notes:

- None of the candidates have any special interests in the Company.
- Mr. Hiroshi Kajiwara is an executive of ITOCHU Corporation, the parent company of the Company.
- The positions and responsibilities of the candidates for the past 10 years (including current positions and responsibilities) as executives of the parent company (including subsidiaries thereof) are disclosed above in "Past experience, positions, responsibilities and significant concurrent positions."
- The following are matters relating to the liability limitation agreements with Mr. Hiroshi Kajiwara, Mr. Kazuo Hosoi, Ms. Yuka Kawauchi and Mr. Kazuyuki Shinno:  
 The current Articles of Incorporation of the Company stipulate that the Company may enter into agreements with the Board Directors (excluding the Executive Board Directors etc.) to limit their liabilities for damages to the Company to a certain extent in order to enable the Board Directors (excluding the Executive Board Directors etc.) to sufficiently perform their expected duties. In accordance with these provisions, the Company has entered into the liability limitation agreements with Mr. Hiroshi Kajiwara, Mr. Kazuo Hosoi, Ms. Yuka Kawauchi and Mr. Kazuyuki Shinno. The Company will also enter into such agreements with respective candidates if the proposed election of the respective candidates is approved. A summary of the liability limitation agreement is as follows:
  - If the Board Director (excluding the Executive Board Director, etc.) is liable for damages to the Company due to neglect of his duties, the Board Director shall be liable for such damages up to ¥10 million (10,000,000) or the minimum liability amount stipulated by laws and regulations, whichever is higher.
  - The abovementioned limitation of liabilities shall be applied only if the Board Director (excluding the Executive Board Director, etc.) acted in good faith and without gross negligence in performing the duties that gave rise to the liabilities.
- The following are matters relating to a directors and officers liability insurance contract that insures directors and officers:  
 In accordance with Article 430-3 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company that insures directors and officers to ensure that Board Directors can fully perform their expected roles. The candidate will be included as the insured of the insurance policy if the proposed election of the candidate is approved. A summary of the insurance policy is as follows. No insurance premium is borne by the insured.
  - The insurance policy will cover legal damages and litigation costs in case that a claim for damages arises against the directors and officers from a third party based on their wrongful conduct, as well as costs that the Company bears in case that the Company exempts the directors and officers from paying such damages in accordance with laws and regulations and the Articles of Incorporation.
  - The insurance policy stipulates the provision for the amount of exemption and will not cover damages under such amount of exemption.
- Mr. Kazuo Hosoi, Ms. Yuka Kawauchi and Mr. Kazuyuki Shinno are the candidates for Outside Board Directors. The Company has filed with Tokyo Stock Exchange, Inc. a notification designating each of them as independent officers. If their elections are approved, the Company will continue their designation as independent officers.

**Proposal 4:** Election of Two (2) Corporate Auditors

The term of office of Mr. Tatsushi Iwasaki and Mr. Takashi Endo will expire at the conclusion of this General Meeting. Accordingly, the election of two (2) Corporate Auditors is proposed.

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

The policy and proceedings for nominating candidates for Corporate Auditors, and the candidates for Corporate Auditors are as follows:



**(Policy and Proceedings for Nominating Candidates for Corporate Auditors)**

For the nomination of candidates for Corporate Auditors, following a deliberation by the Nomination and Compensation Committee, the President proposes a roster to the Board of Directors in accordance with the nomination criteria set by the Board (see below), and the Board of Directors makes a decision on the proposed roster upon approval of the Board of Corporate Auditors.

**[Nomination Criteria for Corporate Auditors (Excluding Outside Corporate Auditors)]**

Persons of integrity who have sufficient practical experience in management of the Company as well as sufficient practical experience and professional knowledge in the area of either law, accounting/tax, labor, or IT.

Note: The nomination criteria for Outside Board Directors / Outside Corporate Auditors and the criteria for judging their independence are disclosed on pages 17-18.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
1	 Kota Shibachi (December 22, 1968)  [Newly-appointed]  Term of office as a Corporate Auditor: -	<p>April 1992    Joined ITOCHU Corporation</p> <p>April 2002    General Manager, East China &amp; North China Credit Department, China Corporate Administration Group, China Block of ITOCHU Corporation and ITOCHU SHANGHAI LTD.</p> <p>October 2011    Deputy General Manager, Forest Products, General Merchandise &amp; Chemicals Risk Management Department of ITOCHU Corporation</p> <p>April 2012    Deputy General Manager, General Products, Realty &amp; Information Risk Management Department of ITOCHU Corporation</p> <p>April 2013    Deputy General Manager, General Products, Realty, Information Business &amp; Risk Management Department of ITOCHU Corporation</p> <p>May 2015    General Manager, Business Risk Management &amp; Legal Division of ITOCHU Enterprise (Thailand) Ltd.</p> <p>August 2016    General Manager, Business Risk Management &amp; Legal Division and Assistant to Indochina Manager of ITOCHU Enterprise (Thailand) Ltd.</p> <p>May 2017    General Manager, China Credit Division, China Corporate Administration Group, East Asia Block of ITOCHU Corporation and ITOCHU SHANGHAI LTD.</p> <p>April 2018    General Manager, China Credit Division, East Asia Corporate Administration Group, East Asia Block of ITOCHU Corporation and ITOCHU SHANGHAI LTD.</p> <p>May 2021    General Manager, Information, Financial Business &amp; Risk Management Department of ITOCHU Corporation (to present)</p> <p>Reasons for nominating Mr. Kota Shibachi as a candidate for Corporate Auditor:            Mr. Kota Shibachi has built experience in credit and risk management operations for many years. Since he has deep knowledge on corporate management and risk management, we believe that his accumulated knowledge and experience will be very helpful for the Company's audit system.</p>	-
2	 Akane Tsuji (July 30, 1974)  [Newly-appointed] [Outside Corporate Auditor] [Independent Officer]  Term of office as an Outside Corporate Auditor: -	<p>October 2003    Joined Endo Law Firm</p> <p>Reasons for nominating Ms. Akane Tsuji as a candidate for Outside Corporate Auditor:            Since Ms. Akane Tsuji has great knowledge and experience mainly on corporate legal affairs as an attorney of law, we believe that her accumulated knowledge and experience will be very helpful for the Company's audit system.</p>	-

Notes:

1. None of the candidates have any special interests in the Company.
2. Mr. Kota Shibachi is an executive of ITOCHU Corporation, the parent company of the Company.
3. The positions and responsibilities of the candidates for the past 10 years (including current positions and responsibilities) as executives of the parent company (including subsidiaries thereof) are disclosed above in “Past experience, positions, and significant concurrent positions.”
4. The reasons why the Company believes that Ms. Akane Tsuji will be able to perform the duties of Outside Corporate Auditor even though she has not been involved in the management of a company in any capacity beyond outside director or outside corporate auditor are disclosed above in “Reasons for nominating Ms. Akane Tsuji as a candidate for Outside Corporate Auditor.”
5. Ms. Akane Tsuji’s name in the family register is Ms. Akane Endo. She is a spouse of Mr. Takashi Endo, who is an officer (Outside Corporate Auditor) of the Company.
6. The following are matters relating to the liability limitation agreement with Mr. Kota Shibachi:

The current Articles of Incorporation of the Company stipulate that the Company may enter into agreements with Corporate Auditors to limit their liabilities for damages to the Company to a certain extent in order to enable the Corporate Auditors to sufficiently perform their expected duties. In accordance with these provisions, the Company will enter into such an agreement with Mr. Kota Shibachi if the proposed election of the candidate is approved. A summary of the liability limitation agreement is as follows:

  - If a Corporate Auditor is liable for damages to the Company due to neglect of his duties, the Corporate Auditor shall be liable for such damages up to ¥10 million (10,000,000) or the minimum liability amount prescribed in laws and regulations, whichever is higher.
  - The abovementioned limitation of liabilities shall be applied only if the Corporate Auditor acted in good faith and without gross negligence in performing the duties that gave rise to the liabilities.
7. The following are matters relating to a directors and officers liability insurance contract that insures directors and officers:

In accordance with Article 430-3 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company that insures directors and officers to ensure that Corporate Auditors can fully perform their expected roles. The candidate will be included as the insured of the insurance policy if the proposed election of the candidate is approved. A summary of the insurance policy is as follows. No insurance premium is borne by the insured.

  - The insurance policy will cover legal damages and litigation costs in case that a claim for damages arises against the directors and officers from a third party based on their wrongful conduct, as well as costs that the Company bears in case that the Company exempts the directors and officers from paying such damages in accordance with laws and regulations and the Articles of Incorporation.
  - The insurance policy stipulates the provision for the amount of exemption and will not cover damages under such amount of exemption.
8. Ms. Akane Tsuji is the candidate for Outside Corporate Auditor. Since she satisfies the requirement for an independent officer as provided by the Tokyo Stock Exchange, Inc., if the proposed election of Ms. Akane Tsuji is approved, the Company will file with the Exchange a notification designating her as an independent officer.



**Reference:** The nomination criteria for Outside Board Directors / Outside Corporate Auditors and the criteria for judging their independence

**[Nomination criteria]**

- (1) A person who has a practical point of view based on extensive experience as a senior management executive of a company.
- (2) A person who has an objective and expert point of view based on strong knowledge of social and economic trends.
- (3) A person who is a professional at (1), (2), or management, law, accounting/tax, labor, IT, etc.

**[Independence criterion]**

The Company designates a person who does not fall under any of the following criteria as an independent officer:

**1. Outside Board Director**

- (1) A person who currently holds or had held anytime during the last 10 years before the assumption of office any of the following positions at the Company or its subsidiary:
  - a. Executive (meaning executive Board Director, executive officer, or employee; the same shall apply hereinafter);
  - b. Non-executive Board Director (limited to those who had been an executive of the Company or its subsidiary anytime during the last 10 years before the assumption of office as a non-executive Board Director); or
  - c. Corporate auditor (limited to those who had been an executive of the Company or its subsidiary anytime during the last 10 years before the assumption of office as a corporate auditor).
- (2) A person who currently holds or had held anytime during the last 10 years before the assumption of office any of the following positions at the parent company of the Company:
  - a. Executive or
  - b. Non-executive Board Director.
- (3) A person who currently is or had been anytime during the last 10 years before the assumption of office an executive of a fellow subsidiary of the Company:
- (4) A person who currently is or had been anytime during the last 1 year before the assumption of office a person whose main business partner is/was the Company or an executive of such a person.
- (5) A person who currently is or had been anytime during the last 1 year before the assumption of office a person who is/was a main business partner of the Company or an executive of such a person.
- (6) A person who currently is or had been anytime during the last 1 year before the assumption of office a consultant, accounting expert, or legal expert who receives/received a significant amount of money or other property from the Company other than remuneration as an officer of the Company (if the person who receives/received such property is an organization, such as a juridical person, association, etc., a person who belongs to such an organization).
- (7) A close relative of a person who falls under the following description (excluding those who are insignificant):
  - a. A person who currently is or had been anytime during the last 1 year an executive of the Company or its subsidiary.
- (8) A close relative of a person who currently is a non-executive Board Director of the Company.
- (9) A close relative of a person who falls under any of (2) through (6) above (excluding those who are insignificant):

**2. Outside Corporate Auditor**

- (1) A person who currently holds or had held anytime during the last 10 years before the assumption of office any of the following positions at the Company or its subsidiary:
  - a. Executive;
  - b. Non-executive Board Director; or
  - c. Corporate auditor (limited to those who had been an executive or non-executive Board Director of the Company or its subsidiary anytime during the last 10 years before the assumption of office as a corporate auditor).
- (2) A close relative of a person who falls under any of the following descriptions (excluding those who are insignificant):
  - a. A person who currently is or had been anytime during the last 1 year an executive of the Company or its subsidiary; or

- b. A person who currently is or had been anytime during the last 1 year a non-executive Board Director of the Company or its subsidiary.
  - (3) A person who currently is or had been anytime during the last 10 year before the assumption of office a corporate auditor of the parent company of the Company:
  - (4) A person who falls under any of 1(2) through (6) above.
  - (5) A close relative of a person who falls under any of 2 (3) through (4) above (excluding those who are insignificant).
- \* An executive of the Company or its subsidiary (excluding those who are insignificant) means an executive Board Director and an employee who holds a position as a general manager, a branch office manager or a position that is equivalent thereto or above.
- \* A close relative means a relative within the second degree of kinship.

**Proposal 5: Election of One (1) Substitute Corporate Auditor**

As a precaution to fill any vacancy resulting in a shortfall in the number of Corporate Auditors prescribed by the laws and regulations, the Company proposes the election of one (1) Substitute Corporate Auditor to stand ready as a substitute for Mr. Takatoshi Otomura, the Corporate Auditor of the Company, to prepare for the contingency that he retires from office (in case that the appointment of Mr. Kota Shibachi is approved in Proposal 4, as a substitute for Messrs. Takatoshi Otomura and Mr. Kota Shibachi, the Corporate Auditors of the Company, to prepare for the contingency that both of them retire from office) in accordance with Article 329, Paragraph 3 of the Companies Act.

The effectiveness of election based on this Proposal may be cancelled by a resolution of the Board of Directors, but only with the consent of the Board of Corporate Auditors and only before the appointment.

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

The candidate for a Substitute Corporate Auditor is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of shares of the Company held
Nobuji Shibata (December 27, 1955)	April 1978	Joined Nitto Fertilizer Co., Ltd. (currently Nittofc Co., Ltd.)	5,800
	April 1992	Head of Nagoya Office, Software Japan Co., Ltd.	
	December 1996	General Manager, Information & Home Electronics Administration Department of ITOCHU ELECTRONICS CORP. (currently ITOCHU INTERACTIVE CORP.)	
	June 1998	General Manager responsible for logistics management of the Company	
	January 2006	General Manager, Information Systems Department of the Company	
	April 2009	General Manager, Internal Audit Department of the Company	
	June 2011	Full-Time Corporate Auditor of the Company	
	June 2019	Director of the Company	

Notes:

1. The candidate does not have any special interests in the Company.
2. The following are matters relating to a directors and officers liability insurance contract that insures directors and officers:

In accordance with Article 430-3 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company that insures directors and officers to ensure that Corporate Auditors can fully perform their expected roles. The candidate will be included as the insured of the insurance policy if the proposed election of the candidate is approved and when the candidate assumes the office as Corporate Auditor. A summary of the insurance policy is as follows. No insurance premium is borne by the insured.

- The insurance policy will cover legal damages and litigation costs in case that a claim for damages arises against the directors and officers from a third party based on their wrongful conduct, as well as costs that the Company bears in case that the Company exempts the directors and officers from paying such damages in accordance with laws and regulations and the Articles of Incorporation.
- The insurance policy stipulates the provision for the amount of exemption and will not cover damages under such amount of exemption.

**Proposal 6:** Revision of Amount of Compensation for Directors

The current amount of compensation for Directors is set at a maximum total of ¥250 million per year (out of which the maximum amount payable to Outside Directors is ¥20 million per year), as approved by the shareholders at the 15th Annual General Meeting of Shareholders held on June 20, 2012, and has been unchanged to date.

In order to further strengthen corporate governance against a backdrop of a changing economic environment, the Company has increased the total number of Directors from six (6) (including two (2) Outside Directors) as of June 2019 to eight (8) (including three (3) Outside Directors), and starting from the fiscal 2018, the Company has introduced performance-linked compensation to Directors as a mid- to long-term incentive. Accordingly, the Company proposes that the amount of compensation for Directors be revised to a maximum total of ¥350 million per year (out of which the maximum amount payable to Outside Directors is to be ¥60 million per year). The revised amount of compensation for Directors shall become effective retrospectively from the beginning of the 25th fiscal year, on April 1, 2021.

The revision of the compensation amount is made to consider and review the aforementioned circumstances and in accordance with the policy to determine details on the individual compensation for Directors, which was resolved at the Board of Directors meeting of the Company (provided, however, the Company will not change the policy even after this proposal is approved), and the Company therefore deems this proposal appropriate.

As before, the amount of compensation for Directors who serve concurrently as employees shall not include any salaries payable to such Directors as employees. Currently, eight (8) Directors (including three (3) Outside Directors) are in office. If Proposal 3 is approved as proposed, eight (8) Directors (including three (3) Outside Directors) will continue to be in office.