

Securities Code: 9086

June 1, 2022

Yasuo Nakatani
Representative Executive Officer
Chairman and Chief Executive Officer
Board Director
Hitachi Transport System, Ltd.
2-9-2 Kyobashi, Chuo-ku, Tokyo

Notice of Convocation of the 63rd Annual General Meeting of Shareholders

We announce that Hitachi Transport System, Ltd. (the “Company”) will hold its 63rd Annual General Meeting of Shareholders as detailed below.

To help prevent the spread of the COVID-19 infection, the Company recommends that you exercise your voting rights in advance, either by regular postal mail or via the Internet, rather than physically attend the meeting on the scheduled date. To proceed, please examine the following Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by no later than 5:00 p.m. on Wednesday, June 22, 2022. By regular mail, your vote must be received at the Shin-Tokyo Post Office in Koto-ku, Tokyo, while by the Internet, please complete your transmission by that deadline.

1. Date and Time: 10:00 a.m. on Thursday, June 23, 2022 (Reception will open at 9:00 a.m.)
2. Place: Main Meeting Room, 2nd floor of the Company Headquarters,
2-9-2 Kyobashi, Chuo-ku, Tokyo, Japan
3. Meeting Agenda:
 - Matters to be reported: Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements for the 63rd Business Year (from April 1, 2021 to March 31, 2022), and results of audits of the Consolidated Financial Statements by the Accounting Auditors and Audit Committee.
 - Matters to be resolved: Proposal: Election of eight directors due to expiration of the term of office of all directors

- ◎ The section entitled “6. System and Policy of the Company” in the Business Report (comprised of: (1) Corporate Governance System; (2) System for Securing the Appropriateness of Business and the State of Operation of the System Concerned; (3) Basic Policies for Control of the Company; (4) Policies for Determining Allocation of Surplus; and (5) the results of analysis and evaluation on the effectiveness of the Board of Directors as a whole), the Notes to the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.hitachi-transportssystem.com/jp/>) in accordance with applicable laws and regulations and Article 13 of the Articles of Incorporation of the Company, and are accordingly not provided in this notice of convocation. To dispel any possible doubt, the Business Report, the Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit Committee and Accounting Auditors during the preparation of the Audit Report and Accounting Audit Report respectively include the excerpt from the Business Report, the Notes to the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements posted on the Company’s website, in addition to the documents provided in the attachment to this notice of convocation.
- ◎ In the event that any item in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or Non-consolidated Financial Statements is amended, the Company will announce the amendment on the Company’s website described above.
- ◎ The Company will announce the results of this Annual General Meeting of Shareholders on the Company’s website.

Reference Documents for General Meeting of Shareholders

Proposal and References

Proposal: Election of eight directors due to expiration of the term of office of all directors

The term of office of all the incumbent directors will expire upon conclusion of this General Meeting of Shareholders. In accordance with a decision of the Nominating Committee, the Company proposes the election of eight directors. The candidates for the directors are as follows. The Company has obtained prior approval of the respective candidates, on the condition that they are elected at this General Meeting of Shareholders.

To dispel any possible doubt, the resolution for the election of directors shall not be by cumulative voting.

Candidate number	Name	Registration	Current positions and Assignments in the Company	Number of attendances for Board of Directors meetings
1	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Miho Aoki	2020	Outside Director [Audit Committee 20/20]	16/16
2	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Sayoko Izumoto	2017	Outside Director [Audit Committee 20/20] [Compensation Committee, as Committee chairperson 5/5]	16/16
3	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Mitsudo Urano	2014	Outside Director (Chairman of the Board of Directors) [Nomination Committee, as Committee chairperson 6/6]	16/16
4	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Takashi Nishijima	2020	Outside Director [Nomination Committee 6/6] [Compensation Committee 5/5]	16/16
5	[Candidate for Reappointment]	2015	Outside Director [Audit Committee, as	16/16

	[Candidate for Outside Director] Hiroshi Maruta		Committee chairperson 20/20]	
6	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Hajime Watanabe	2020	Outside Director [Audit Committee 20/20]	16/16
7	[Candidate for Appointment] Hiroaki Takagi	-	Representative Executive Officer, President and Chief Operating Officer	-
8	[Candidate for Reappointment] Yasuo Nakatani	2013	Representative Executive Officer, Chairman and Chief Executive Officer and Board Director [Nomination Committee 6/6] [Compensation Committee 5/5]	16/16

For directors serving as a committee member (or the committee chairperson, if applicable), the committee name and the number of committee meeting attendances are indicated.

Director Candidate Skill Matrix

To realize the objectives of the Company's current medium-term management plan (LOGISTEED 2024), the experience and expertise expected of members of the Board of Directors is defined with the following eight categories. The following table summarizes the experience and expertise of the individual directors.

Candidate number	Committee Appointments Scheduled			Experience and Expertise							
	Nominating	Audit	Compensation	Corporate management	Finance and accounting	Legal and risk management	DX and IT	Global business	Personnel and human resources development	Sales and marketing	Sustainability and ESG
1		○						○	○	○	○
2		○	◎		○	○					○
3	◎			○				○	○	○	○
4	○		○	○			○	○	○	○	○
5		◎			○	○		○			○
6		○				○		○			○
7				○				○	○	○	○
8	○		○	○				○	○	○	○

◎: Indicates committee chairperson

1. Miho Aoki (Born: April 12, 1961)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office) Outside Director, Toshiba Tec Corporation (currently in office)
April 2020	Associate Professor, Department of Food Safety and Management, Faculty of Life and Environmental Sciences (currently known as Faculty of Food and Health Sciences), Showa Women's University (currently in office)
April 2019	Specially Appointed Associate Professor, Department of Food Safety and Management, Faculty of Life and Environmental Sciences (currently known as Faculty of Food and Health Sciences), Showa Women's University
April 2017	Part-Time Lecturer, Department of Food Safety and Management, Faculty of Life and Environmental Sciences (currently known as Faculty of Food and Health Sciences), Showa Women's University
March 2008	Vice President, Amway Japan G.K.
July 2005	Representative Board Director, Esquel Japan Limited K.K.
June 2001	Executive Officer, Deloitte Tohmatsu Consulting Co., Ltd. (currently known as ABeam Consulting Ltd.)
September 1995	Executive Secretary, Estée Lauder Group Companies K.K. (currently known as ELC Japan K.K.)
January 1990	Manager of Business Strategy Division, Pfizer Inc.
August 1987	Salomon Brothers, Inc. (New York Head Office)
April 1983	The Boston Consulting Group K.K.

【Reason for the appointment of the candidate for Outside Director and major roles expected】

Ms. Miho Aoki served as executive officer in Deloitte Tohmatsu Consulting Co., Ltd. (currently known as ABeam Consulting Ltd.) and held executive positions at various other firms. Based on her abundant experience in company management, she currently works as an associate professor at a university. In keeping with expectations that Ms. Aoki will leverage her knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, she is hereby named as a candidate for reappointment as Outside

Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Ms. Miho Aoki.

【Independence of Outside Directors】

Since Ms. Miho Aoki fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Aoki as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Tenure as director】

The tenure of Ms. Miho Aoki as director will reach two years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Ms. Miho Aoki to limit her liability referred to in Article 423(1) of Japan’s Companies Act for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Aoki to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Aoki as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan’s Companies Act, in which all of the Company’s directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

2. Sayoko Izumoto (Born: July 8, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2017	Outside Director, Hitachi Transport System, Ltd. (currently in office) Member of the Audit and Supervisory Board (Outside), DAIICHI SANKYO COMPANY, LIMITED
May 2017	External Audit and Supervisory Board Member, Freund Corporation (currently in office)
April 2017	Member, Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications (currently in office)
August 2016	Established Izumoto Certified Public Accountant Office (currently in office)
July 2016	Left Deloitte Touche Tohmatsu LLC
January 2015	Member, Information and Communications Council, Ministry of Internal Affairs and Communications (currently in office)
July 2010	Executive Board Member, The Japanese Institute of Certified Public Accountants Headquarters
March 2008	Member, Technical Committee: Post-Retirement Benefits, Accounting Standards Board of Japan
January 2007	Member, Business Accounting Council, Financial Services Agency
July 2001	Council Member, The Japanese Institute of Certified Public Accountants Headquarters
July 1995	Partner, Tohmatsu & Co.
March 1976	Tohmatsu Awoki & Co. (currently known as Deloitte Touche Tohmatsu LLC)

【Reason for the appointment of the candidate for Outside Director and major roles expected】

Ms. Sayoko Izumoto has a long career in corporate accounting at a large audit corporation and has served in various public posts. Ms. Izumoto has sufficient knowledge and experience in the field of audit and supervision of business execution. In keeping with expectations that Ms. Izumoto will leverage her knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, she is hereby named as a candidate for reappointment as Outside Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Ms. Sayoko Izumoto.

【Independence of Outside Directors】

Since Ms. Sayoko Izumoto fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Izumoto as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Tenure as director】

The tenure of Ms. Sayoko Izumoto as director will reach five years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Ms. Sayoko Izumoto to limit her liability referred to in Article 423(1) of Japan’s Companies Act for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Izumoto to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Izumoto as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan’s Companies Act, in which all of the Company’s directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

3. Mitsudo Urano (Born: March 20, 1948)

Number of the Company's shares owned: 3,000 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2014	Outside Director, Hitachi Transport System, Ltd. (currently in office)
June 2013	Advisor, NICHIREI CORPORATION Outside Director, Resona Holdings, Inc. Outside Director, HOYA CORPORATION (currently in office)
June 2011	Outside Director, Yokogawa Electric Corporation
June 2007	Representative Director and Chairman, NICHIREI CORPORATION
April 2007	Director and Chairman, Nichirei Foods Inc.
January 2005	Representative Director and President, Nichirei Foods Inc.
June 2001	Representative Director and President, NICHIREI CORPORATION
June 1999	Director and General Manager, Strategic Planning Division, NICHIREI CORPORATION
April 1995	General Manager, Low Temperature Logistics Planning Division, NICHIREI CORPORATION
April 1971	Nippon Reizo Co., Ltd. (currently known as NICHIREI CORPORATION)

【Reason for the appointment of the candidate for Outside Director and major roles expected】

Mr. Mitsudo Urano has worked to enhance management efficiency as a top executive in manufacturing and logistics businesses and has experienced a number of positions as an outside officer at various enterprises. At the Company's Board of Directors, he currently serves as Chairman of the Board in the capacity of an Independent Officer, striving to further energize, raise the caliber of debate and otherwise enhance the Board's functions. As past chairperson of the Compensation Committee, Mr. Urano was instrumental in realizing a performance-linked stock compensation system for executive officers. In keeping with expectations that Mr. Urano will leverage his knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, he is hereby named as a candidate for reappointment as Outside Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Mitsudo Urano.

【Independence of Outside Directors】

Since Mr. Mitsudo Urano fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Urano as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Tenure as director】

The tenure of Mr. Mitsudo Urano as director will reach eight years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Mitsudo Urano to limit his liability referred to in Article 423(1) of Japan’s Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Urano to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Urano as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan’s Companies Act, in which all of the Company’s directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

4. Takashi Nishijima (Born: August 12, 1957)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

April 2021	Chairman, Yokogawa Electric Corporation (currently in office)
June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office)
April 2019	Chairman and Representative Director, Yokogawa Electric Corporation
April 2013	President and Chief Executive Officer, Yokogawa Electric Corporation
April 2012	Board Director and Senior Vice President, Head of IA Platform Business Headquarters, Yokogawa Electric Corporation
June 2011	Director, Yokogawa Electric Corporation President, Yokogawa Meters & Instruments Corporation (currently known as Yokogawa Test & Measurement Corporation)
April 2010	President, Yokogawa Meters & Instruments Corporation (currently known as Yokogawa Test & Measurement Corporation)
October 2008	Executive Officer, Head of Control Products Business Center, IA Business Headquarters, Hokushin Electric Works Ltd.
April 1981	Hokushin Electric Works Limited (currently known as Yokogawa Electric Corporation)

【Reason for the appointment of the candidate for Outside Director and major roles expected】

After serving as the president at Yokogawa Electric Corporation and holding various executive positions in the Yokogawa group, Mr. Takashi Nishijima currently serves as the chairman of Yokogawa Electric Corporation. In keeping with expectations that Mr. Nishijima will leverage his knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, he is hereby named as a candidate for reappointment as Outside Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Takashi Nishijima.

【Independence of Outside Directors】

Since Mr. Takashi Nishijima fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The

Company has registered Mr. Nishijima as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Tenure as director】

The tenure of Mr. Takashi Nishijima as director will reach two years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Takashi Nishijima to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Nishijima to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Nishijima as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

5. Hiroshi Maruta (Born: August 19, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director



• Career summary, positions, assignments, and important posts concurrently held

June 2015	Outside Director, Hitachi Transport System, Ltd. (currently in office)
April 2014	Group CFO, Infrastructure Systems Group, Hitachi, Ltd.
April 2013	General Manager, Finance Group, Infrastructure Systems Company, Hitachi, Ltd.
June 2012	Representative Director, Senior Vice President and Executive Officer, Hitachi Plant Technologies, Ltd.
April 2012	Director, Senior Vice President and Executive Officer in charge of Management Strategy, Group Strategy, Finance and Hitachi Smart Transformation Project, Hitachi Plant Technologies, Ltd.
April 2011	Director, Vice President and Executive Officer in charge of Management Strategy, Group Strategy and Finance, Hitachi Plant Technologies, Ltd.
October 2009	General Manager, Finance Division, Hitachi Plant Technologies, Ltd.
October 2004	Executive Vice President and Chief Financial Officer, Hitachi America, Ltd.
June 2004	Senior Vice President and Chief Financial Officer, Hitachi America, Ltd.
August 1999	President & CEO, Hitachi Investment Management, Ltd.
April 1999	Deputy General Manager, Finance Department, Hitachi, Ltd.
April 1978	Hitachi, Ltd.

【Reason for the appointment of the candidate for Outside Director and major roles expected】

Mr. Hiroshi Maruta has deep insights in the field of finance and accounting and has extensive experience working overseas. In keeping with expectations that Mr. Maruta will leverage his knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, he is hereby named as a candidate for reappointment as Outside Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Hiroshi Maruta.

【Relations between the candidate and a specified related business operator】

Mr. Hiroshi Maruta has served as executive officer of Hitachi, Ltd. before, which is a specified related business operator of the Company.

【Tenure as director】

The tenure of Mr. Hiroshi Maruta as director will reach seven years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Hiroshi Maruta to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Maruta to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Maruta as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

6. Hajime Watanabe (Born: July 28, 1959)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

January 2022	Established WATANABE & SHIMIZU (currently in office)
June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office)
June 2013	Statutory Auditor (Outside Company), Meiji Holdings Co., Ltd. (currently in office)
June 2009	Statutory Auditor (Outside Company), FURYU Corporation
June 2007	Statutory Auditor (Outside Company), SEIKO PMC CORPORATION
April 2007	Established STW & Partners (currently known as SHIOMIZAKA)
May 1995	Admitted to the New York State Bar Association
September 1994	Admitted as Foreign Legal Consultant, Chicago Bar Association, Illinois
April 1987	Mori Sogo Law Offices (currently known as Mori Hamada & Matsumoto)

【Reason for the appointment of the candidate for Outside Director and major roles expected】

Mr. Hajime Watanabe is an attorney at law, who is savvy about international business and trade law. In keeping with expectations that Mr. Watanabe will leverage his knowledge and experience in supervising the Company's management and thereby contribute to enhancing the function of the Board of Directors, he is hereby named as a candidate for reappointment as Outside Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Hajime Watanabe.

【Independence of Outside Directors】

Since Mr. Hajime Watanabe fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Watanabe as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Tenure as director】

The tenure of Mr. Hajime Watanabe as director will reach two years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Hajime Watanabe to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Watanabe to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Watanabe as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

7. Hiroaki Takagi (Born: July 28, 1962)

Number of the Company's shares owned: 4,400 shares

Candidate for Appointment



• Career summary, positions, assignments, and important posts concurrently held

April 2022	Representative Executive Officer, President and Chief Operating Officer, Hitachi Transport System, Ltd. (currently in office)
April 2021	Vice President and Executive Officer, Hitachi Transport System, Ltd.
July 2020	Chief Executive for China, Hitachi Transport System, Ltd. President, Hitachi Transport System (China), Ltd.
April 2020	Executive, Higashinippon Area Headquarters, Higashinippon Area Management Headquarters, Hitachi Transport System, Ltd.
April 2018	President, Hitachi Transport System (China), Ltd.
April 2016	Executive Officer and Chief Executive for China, Hitachi Transport System, Ltd.
June 2015	Representative Director and President, Minamikanto Hitachi Transport Service Co., Ltd. (currently Hitachi Transport System South Kanto Co., Ltd.)
April 2015	Executive, Minamikanto Area Headquarters, Higashinippon Area Headquarters, Higashinippon Area Management Headquarters, Hitachi Transport System, Ltd.
April 2013	Deputy General Manager, First Metropolitan Area Headquarters, Hitachi Transport System, Ltd.
April 2005	Deputy General Manager, Mito Division, Higashinippon Area Headquarters, Hitachi Transport System, Ltd.
April 1985	Hitachi Transport System, Ltd.

【Reason for the appointment of the candidate for Director】

Since joining the Company, Mr. Hiroaki Takagi has steadily accumulated an impressive range of business experience spanning both domestic Japanese sales, as well as international operations focused on China. In April 2016, he was appointed Chief Executive for China, where he proceeded to develop and achieve an outstanding international business growth strategy. This April, Mr. Takagi was named as the Company's Representative Executive Officer, President and Chief Operating Officer. The decision to nominate Mr. Takagi as a candidate for member of the Board of Directors reflects the judgment he will mobilize his broad-based work experience, knowledge and leadership as a director to champion further enhancement in the Company's corporate value.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Hiroaki Takagi.

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

8. Yasuo Nakatani (Born: November 12, 1955)

Number of the Company's shares owned: 6,000 shares

Candidate for Reappointment



• Career summary, positions, assignments, and important posts concurrently held

April 2022	Representative Executive Officer, Chairman and Chief Executive Officer and Board Director (currently in office)
June 2013	Representative Executive Officer, President and Chief Executive Officer and Board Director, Hitachi Transport System, Ltd.
April 2013	Representative Executive Officer, Executive Vice President, Hitachi Transport System, Ltd.
July 2012	Deputy General Manager, UC Project Department, Hitachi Transport System, Ltd.
April 2012	Senior Vice President and Executive Officer, General Manager of Global Corporate Strategy Office and General Manager of AEO & Corporate Export Regulation Office, Hitachi Transport System, Ltd.
April 2010	Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2008	Chief Executive for North America, Hitachi Transport System, Ltd. President, Hitachi Transport System (America), Ltd.
April 2007	General Manager of Global Business Office and Deputy General Manager of Global Sales Development Headquarters, Hitachi Transport System, Ltd.
April 2006	Executive Officer, General Manager of International Sales Headquarters, Hitachi Transport System, Ltd.
April 2005	Deputy General Manager, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2004	General Manager, 1st Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2003	General Manager, 2nd Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
February 1999	International Sales Headquarters, Hitachi Transport System, Ltd. (dispatched from Hitachi Transport System (America), Ltd.)
April 1978	Hitachi Transport System, Ltd.

【Reason for the appointment of the candidate for Director】

In June 2013, Mr. Yasuo Nakatani was named as the Company's Representative Executive Officer, President and Chief Executive and Board Director. Since his assumption of office as Representative Executive Officer, Chairman and Chief Executive Officer and Board Director of the Company in April 2022, exercising strong leadership and insight, he built a process designed to generate greater value for the overall Group, while likewise raising its economic, social and environment contributions. In pursuit of its guiding vision as the “Most Preferred Solution Provider,” the Company is confident that Mr. Nakatani is well positioned to support the quest to promote superb global business management and redoubled enhancement of its corporate value. In light of his proven track record to date, Mr. Nakatani has once again been appointed as a candidate for Board Director.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Yasuo Nakatani.

【Tenure as director】

The tenure of Mr. Yasuo Nakatani as director will reach nine years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

16/16

【Directors and officers liability insurance】

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

[Reference] Criteria for Appointment of Outside Directors

The Company has worked through the Board of Directors and the Nominating Committee to establish the following guidelines for the appointment of Hitachi Transport System directors.

■ Appointment Criteria

- (1) Capacity to exercise managerial supervision contributing to the sustained enhancement of Hitachi Transport System Group corporate value.
- (2) Outstanding character and professional insight, excellent management perspective and extensive understanding of wide-ranging managerial issues.
- (3) Exceptional abilities to provide objective analysis and judgement.
- (4) Superb foresight and vision.
- (5) Aptitude to precisely grasp social trends, management environments and changes in the marketplace.
- (6) Ability to energetically express one's own opinions.
- (7) Concurrent service as an officer at no more than three other listed companies (excluding the Company itself).

■ Reappointment Criteria

- (1) Recognition of director qualities determined in the aforementioned Appointment Criteria.
- (2) Board of Directors meeting attendance rate of 75% or above, with the exception of unavoidable circumstances.
- (3) Concurrent service as an officer at no more than three other listed companies (excluding the Company itself).
- (4) Absence of conflict of interest with companies of concurrent service as an Outside Director.

[Reference] Criteria for Independence of Outside Directors

Outside directors to whom none of the undermentioned standards applied will be appointed as independent officer without the possibility of any conflict of interest with general shareholders.

- (1) A director, auditor, accounting advisor, executive officer, corporate officer or manager and any other person equivalent thereto of a corporation or organization that holds 10% or more of the outstanding shares of the Company, either directly or indirectly, as of the end of the previous fiscal year (collectively, "Related Party"), or those who had been a Related Party in the last ten years
- (2) A Related Party of subsidiaries of corporation or organization described in (1)
- (3) A Related Party of a corporation or organization where 10% or more of its outstanding shares are owned, either directly or indirectly, by the Company as of the end of the previous fiscal year
- (4) A Related Party of a company whose transaction volume with the Company accounts for 2% or more of the Company's consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such company
- (5) A Related Party of a business partner that receives payments from the Company and its consolidated subsidiaries that account for 2% or more of such company's consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such business party

- (6) A Related Party of a financial institution from which the Company borrows the amount that accounts for 2% or more of the Company's consolidated total assets, or those who had been a Related Party in the last five years of such financial institution
- (7) A consultant, or accounting or legal professional who receives cash or other economic benefits equal to 10 million yen or more per year (average annual amount if the payment covers multiple fiscal years) in the last five years in addition to Director's compensation from the Company
- (8) A person who received donation or financial assistance equal to 10 million yen or more per year from the Company during the previous fiscal year, or those who belong to the recipient organization
- (9) A Related Party of a company that accepts director (s) or auditor (s) from the Company or its consolidated subsidiaries, or its parent company or consolidated subsidiaries
- (10) Spouses or relatives by blood or affinity within the second degree of kinship of those described in (1) through (9) (excluding those who are not in an important position such as officer)
- (11) Spouses or relatives by blood or affinity within the second degree of kinship of an executive director, executive officer, corporate officer, or manager or employees of the Company or its consolidated subsidiaries ("Executive"), or those who had been an Executive in the last ten years, and a Related Party of the Company or its consolidated subsidiaries

End