



**ES CON**  
JAPAN  
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Securities code: 8892

## ES-CON JAPAN Ltd.

**27**th Regular General Meeting  
of Shareholders

### Announcement

#### Date and time

10:00 a.m. March 25 (Fri.), 2022

#### Location

8-1 Akasaka 1-chome, Minato-ku, Tokyo  
Akasaka Intercity Conference the AIR,  
4th Floor, Akasaka Intercity AIR

#### Items for voting

- Agenda Item 1 Disposal of surplus
- Agenda Item 2 Partial amendment of the Articles of Association
- Agenda Item 3 Election of five directors (excluding directors who are auditor directors)
- Agenda Item 4 Election of three directors who are auditor directors
- Agenda Item 5 Election of one director as reserve auditor director to fill potential vacancy



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The important information  
in this Announcement  
may be viewed on  
personal computers and  
smartphones as well  
(Japanese only).  
<https://p.sokai.jp/8892/>



Securities code: 8892  
March 10, 2022

To all shareholders:

2-10-4 Toranomom, Minato-ku, Tokyo  
ES-CON JAPAN Ltd.  
Takatoshi Ito, President and Representative Director

## **Announcement of 27<sup>th</sup> Regular General Meeting of Shareholders**

Thank you for your ongoing support.

We request your attendance at the 27th Regular General Meeting of Shareholders. Information on the Meeting is provided below.

If you are unable to attend, you may exercise your voting rights in either of the two ways given below. Refer to the “Reference Documents for the General Meeting of Shareholders” in the following pages and exercise your voting rights no later than the end of business hours (6:00 p.m.) on Thursday, March 24, 2022.

[Exercising Voting Rights by Post Mail]

Give either your approval or disapproval of each agenda item in the enclosed Voting Right Execution Form, and then return so that it will be received by the above deadline.

[Exercising Voting Rights via the Internet, etc.]

Enter your approval or disapproval of each agenda item.

1. Date and time 10:00 a.m. (reception opens at 9:00 a.m.) March 25 (Fri.), 2022
2. Location 8-1 Akasaka 1-chome, Minato-ku, Tokyo  
Akasaka Intercity Conference the AIR, 4th Floor, Akasaka Intercity AIR
3. Objectives  
Reported items
  1. Term 27 (January 1 to December 31, 2021)  
Contents of business reports and consolidated account statements, as well as consolidated account statement audit reports from account auditors and the Auditors Committee
  2. Term 27 (January 1 to December 31, 2021)  
Items reported in account statements

Items for voting

- Agenda Item 1 Disposal of surplus
- Agenda Item 2 Partial amendment of the Articles of Association
- Agenda Item 3 Election of five directors (excluding directors who are auditor directors)
- Agenda Item 4 Election of three directors who are auditor directors
- Agenda Item 5 Election of one director as reserve auditor director to fill potential vacancy

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- Please submit the enclosed form for Exercise of Voting Right to the reception desk at the venue when you arrive.
  - According to laws and ordinances, and the provision in Article 17 of our company's Articles of Incorporation, the following items are posted online on our company's website (<https://www.es-conjapan.co.jp/investor/library.php>) (Japanese only), and therefore, are not included in the Reference Documents of this announcement.  
(1) Consolidated statement of changes in net assets, (2) Notes to consolidated financial statements, (3) Statement of changes in net assets, (4) Notes to non-consolidated financial statements  
Moreover, in addition to each reference document included in this announcement, of the account statements posted online at our company's website (<https://www.es-conjapan.co.jp/investor/library.php>) the consolidated account statements and account statements that are audited by the Auditor Committee and account auditors are the "Consolidated statement of changes in net assets" and "Notes to consolidated financial statements" of the consolidated account statements, and "Statement of changes in net assets" and "Notes to non-consolidated financial statements."
  - Any revisions to the reference documents for the General Meeting of Shareholders, business reports, consolidated account statements, and statement documents will be posted on our website (<https://www.es-conjapan.co.jp/>).
  - Exercise of a voting right by proxy shall be possible only if the person commissioned as a proxy is a shareholder with voting rights. Furthermore, only one proxy can be used.
  - No souvenirs will be provided to shareholders attending the Regular General Meeting of Shareholders.

# Reference Documents for the General Meeting of Shareholders

## Agenda Items and References

### Agenda Item 1 **Disposal of surplus**

ES-CON JAPAN Ltd. views the returning of profits to all of its shareholders as one of its main tasks, and its basic policy is to make decisions after comprehensively taking into consideration performance, replenishment of internal reserves, and dividend trends, etc., and to return profits to shareholders in an ongoing and stable manner corresponding to the company's growth potential.

Based on this policy, dividends at the end of the current term will be as follows:

|   |   |  |
|---|---|--|
| 1 | Type of dividend assets   | Cash   |
| 2 | Items relating to allocation of dividend assets to shareholders, and total amount thereof | 38 yen per share of common stock of ES-CON JAPAN Ltd.<br>3,669,306,106 yen |
| 3 | Date on which surplus dividend takes effect   | March 28, 2022   |

**Agenda Item 2 Partial amendment of the Articles of Association**

1. Reasons for amendment of the Articles of Association

The revised provisions of the proviso to Article 1 of the Additional Provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019) will take effect on September 1, 2022. ES-CON JAPAN will amend the Articles of Association as follows in preparation to adopt the system of electronic provision of documents for General Meetings of Shareholders:

- (1) Amended Article 17, Paragraph 1 stipulates that the Company shall electronically provide information concerning the nature of the reference documents for General Meetings of Shareholders and similar materials provided to shareholders.
- (2) Amended Article 17, Paragraph 2 establishes provisions limiting the scope of items included in documents issued to shareholders who request printed documents.
- (3) Existing provisions on Internet disclosure and deemed provision of reference documents for General Meetings of Shareholders and similar materials provided to shareholders (the current Article 17) will cease to apply and will be duly abolished.
- (4) Additional provisions will be established regarding effective dates and other matters in accordance with the new and abolished provisions.

2. Nature of amendment

The nature of the amendment is indicated below.

(Underlined passages indicate changes.)

| Current Articles of Association   | Proposed amendment  |
|---|---|
| <p>Articles 1–16 (text omitted)</p> <p><u>Article 17. Internet disclosure and deemed provision of reference documents for General Meetings of Shareholders and similar materials provided to shareholders</u><br/> <u>When convening a General Meeting of Shareholders, the Company may disclose in advance information to be indicated or represented in reference documents for General Meetings of Shareholders, business reports, financial statements, and consolidated financial statements via the Internet, in accordance with the provisions of Ministry of Justice ordinances, and this shall be deemed as provision to shareholders.</u></p> | <p>Articles 1–16 (unchanged)</p> <p>(Abolished)</p>   |
| <p>(New)</p>  | <p><u>Article 17. Measures for the electronic provision of information</u><br/> <u>1. When convening a General Meeting of Shareholders, the Company shall provide in advance to shareholders by electronic means information concerning the nature of the reference documents for General Meetings of Shareholders and similar materials provided to shareholders.</u><br/> <u>2. The Company may omit from documents issued to shareholders who request printed documents by the basis date of their voting rights some or all of the items disclosed electronically and stipulated in Ministry of Justice ordinances.</u></p> |

| Current Articles of Association   | Proposed amendment  |
|---|---|
| <p>Articles 18–37 (text omitted)</p> <p style="text-align: center;">(New)</p> | <p>Articles 18–37 (unchanged)</p> <p><u>(Additional provisions)</u></p> <p>1. <u>The abolition of the previous Article 17 (Internet disclosure and deemed provision of reference documents for General Meetings of Shareholders and similar materials provided to shareholders ) and the establishment of the new Article 17 (Measures for the electronic provision of information) shall take effect on September 1, 2022 (“effective date” hereinafter), the effective date of the revised provisions of the proviso to Article 1 of the Additional Provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019).</u></p> <p>2. <u>Notwithstanding the preceding paragraph, the previous Article 17 (Internet disclosure and deemed provision of reference documents for General Meetings of Shareholders and similar materials provided to shareholders ) shall remain in effect for the General Meetings of Shareholders held within six months following the effective date.</u></p> <p>3. <u>These additional provisions shall be abolished as of the date six months following the effective date or three months following the date of the General Meetings of Shareholders described in the preceding paragraph, whichever comes later.</u></p> |

Agenda Item 3

**Election of five directors (excluding directors who are auditor directors)**

Except for directors who are auditor directors (the same applying hereafter), the term of office will expire for all five directors at the end of this General Meeting. We therefore propose the election of five directors.

To ensure fairness and transparency, the selection of each candidate involved consultations with the Nomination and Remuneration Advisory Committee, key members of which consist of external directors.

Moreover, regarding this agenda item, the Auditor Committee has examined each candidate and stated that there are no issues needing to be pointed out.

Candidates are as follows:

| Candidate No.   | Name (Date of Birth)                        | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)  | Number of Company Shares Owned |
|---|---|---|--------------------------------|
| 1   | <b>Takatoshi Ito</b><br>(September 1, 1971) | September 2001 - Joined ES-CON JAPAN Ltd.<br>February 2006 - Executive Officer, ES-CON JAPAN Ltd.<br>March 2007 - Managing Director, ES-CON JAPAN Ltd.<br>November 2010 - Head of Business Division, ES-CON JAPAN Ltd.<br>March 2011 - President and Representative Director, ES-CON JAPAN Ltd. (present post)<br>January 2012 - Head of Tokyo Office, ES-CON JAPAN Ltd.<br>May 2013 - President and Representative Director, ES-CON PROPERTY Ltd.<br>August 2013 - Head of Development Division, ES-CON JAPAN Ltd.<br>July 2014 - Director, ES-CON ASSET MANAGEMENT Ltd. (present post)<br>November 2014 - President and Corporate Officer, ES-CON JAPAN Ltd. (present post)<br>September 2016 - Director, ES-CON LIVING SERVICE Ltd. (present post)<br>July 2018 - Director, ES-CON PROPERTY Ltd. (present post)<br>July 2019 - Director, One's Own House Co., Ltd. (currently ES-CON HOME Ltd.) (present post)<br>July 2019 - Director, Rise Home Co., Ltd. (currently ES-CON CRAFT Ltd.) (present post)<br>December 2019 - Director, ES-CON GLOBAL WORKS Ltd. (present post)<br>January 2020 - Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)<br>October 2020 - Director, Ryomon Co., Ltd. (present post)<br>October 2021 - Director, Picasso Co., Ltd. (present post)<br>Director, Yuki Sangyo Co., Ltd. (present post)<br>January 2022 - Director, FUEL Inc. (present post) | 1,280,200                      |
| <p><b>Reason for Candidacy as Director</b><br/>                     Mr. Ito has been handling the management of our company group as the President and Director of our company, has been leading the group with his strong leadership, has contributed to development and expansion into multiple businesses, has established a firm management foundation, and possesses abundant knowledge of overall business management. Therefore, we propose that he be reappointed as a director so as to continue contributing to the functional enhancement of the Board of Directors.</p> |   |   |                                |

| Candidate No.      | Name (Date of Birth)   | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)   | Number of Company Shares Owned |
|--------------------|--|--|--------------------------------|
| Reappointment<br>2 | <b>Minoru Nakanishi</b><br>(September 14, 1952)  | <p>April 1975 - Joined Yasuda Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>April 2005 - Executive Officer (Head of Osaka Branch Office)</p> <p>April 2008 - Joined SOKEN Co., Ltd.<br/>Inaugurated as Senior Managing Director</p> <p>August 2011 - Joined ES-CON JAPAN Ltd.</p> <p>June 2012 - Executive Officer (Head of Finance and Accounting Dept.), ES-CON JAPAN Ltd.</p> <p>March 2013 - Director, ES-CON JAPAN Co., Ltd.</p> <p>May 2013 - Director, ES-CON PROPERTY, Ltd. (present post)</p> <p>August 2013 - Head of Management Division, ES-CON JAPAN Ltd. (present post)</p> <p>July 2014 - Director, ES-CON ASSET MANAGEMENT, Ltd. (present post)</p> <p>November 2014 - Executive Officer, ES-CON JAPAN Ltd.</p> <p>March 2015 - Executive Director, ES-CON JAPAN Ltd.<br/>Managing Executive Officer, ES-CON JAPAN Ltd.</p> <p>September 2016 - Director, ES-CON LIVING SERVICE Ltd. (present post)</p> <p>March 2017 - Senior Managing Director, ES-CON JAPAN Ltd. (present post)</p> <p>Senior Executive Officer, ES-CON JAPAN Ltd. (present post)</p> <p>December 2019 - Director, ES-CON GLOBAL WORKS Ltd. (present post)</p> <p>October 2020 - Director, Ryomon Co., Ltd. (present post)</p> <p>October 2021 - Director, Picasso Co., Ltd. (present post)</p> <p>Director, Yuki Sangyo Co., Ltd. (present post)</p> | <b>181,500</b>                 |
|                    | <p><b>Reason for Candidacy as Director</b></p> <p>Mr. Nakanishi has been supervising administrative divisions including Finance/Accounting, Personnel, General Affairs, and Legal Affairs as an administrator of our company, and took the initiative to establish a firm management foundation as a defensive keystone. It was determined that he is an essential human resource for contributing to the improvement of our company group's corporate value, and that he will contribute to sustainable improvement of corporate value in the future. Therefore, we propose that he be reappointed as a director.</p> |  |                                |



| Candidate No.      | Name (Date of Birth)  | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)   | Number of Company Shares Owned |
|--------------------|---|--|--------------------------------|
| 3<br>Reappointment | <b>Kenji Fujita</b><br>(April 14, 1963)   | <p>April 1986 - Joined Chubu Electric Power Co., Inc.</p> <p>July 2011 - General Manager, HR/Labor and Operations Group, Chubu Electric Power Co., Inc.</p> <p>July 2013 - General Manager, HR Division, and General Manager, Labor and Operations Division, Chubu Electric Power Co., Inc.</p> <p>July 2014 - General Manager, Locations Division, Okazaki Branch, Chubu Electric Power Co., Inc.</p> <p>April 2016 - General Manager, Locations Division, Power Networks Company, Chubu Electric Power Co., Inc.</p> <p>March 2019 - Director, ES-CON JAPAN Ltd. (present post)<br/>Executive Officer, ES-CON JAPAN Ltd. (present post)<br/>Head of General Affairs Department, ES-CON JAPAN Ltd.</p> <p>January 2020 - Head of President's Office, ES-CON JAPAN Ltd. (present post)</p> | <b>3,000</b>                   |
|                    | <p><b>Reason for Candidacy as Director</b></p> <p>Mr. Fujita offers a wealth of experience and a strong track record of achievement acquired as HR Division General Manager and Locations Division General Manager with Chubu Electric Power Co., Inc. He plays a key role not only in the administration of our company as Head of General Affairs and Head of the President's Office, but in ESG management. He has contributed to establishing friendly relations with Chubu Electric Power Co., Inc. In light of the remarkable insights he offers as a result of this experience and track record, it was determined that he is an essential director. We propose that he be appointed once again as director.</p> |  |                                |

| Candidate No.  | Name<br>(Date of Birth)                              | History and Position /<br>Area of Responsibility in Our Company<br>(Main Concurrent Posts)  | Number of<br>Company<br>Shares Owned |
|--|--|---|--------------------------------------|
| Reappointment<br>4   | <b>Atsushi<br/>Kawashima</b><br>(January 4,<br>1959) | <p>April 1982 - Joined Mitsubishi Corporation<br/> April 1990 - Joined Yasuda Trust &amp; Banking Co., Ltd.<br/> (now Mizuho Trust &amp; Banking Co., Ltd.)<br/> June 1998 - Joined Kennedy-Wilson Japan Co., Ltd.<br/> (now Kenedix, Inc.)<br/> March 2001 - Director, Kenedix, Inc.<br/> March 2003 - Managing Director/COO, Kenedix, Inc.<br/> October 2004 - Director, KW REIT Management, Inc.<br/> (now Kenedix Realty Investment Corporation)<br/> January 2007 - Representative Director and President,<br/> Kenedix, Inc.<br/> Representative Director and President, Kenedix<br/> Development Corporation<br/> Representative Director and President, Kenedix<br/> Advisors Corporation (now Kenedix Realty Investment<br/> Corporation)<br/> December 2009 - Representative Director and President,<br/> Kenedix Property Corporation<br/> Representative Director and President, Kenedix Asset<br/> Management, Inc.<br/> May 2010 - Director, MAX-REALTY INC.<br/> July 2010 - Director, Touchstone Holdings Co., Ltd.<br/> March 2013 - Representative Director and President,<br/> Kenedix, Inc.<br/> October 2013 - Representative Director, Space Design,<br/> Inc.<br/> August 2014 - Director, Touchstone Capital Management<br/> Co., Ltd.<br/> October 2014 - Director, Nippon Parking Development<br/> Co., Ltd.<br/> March 2016 - Director and Chairperson, Kenedix, Inc.<br/> May 2018 - Director, SQUEEZE Co., Ltd.<br/> March 2019 - Advisor, Kenedix, Inc. (present post)<br/> Main concurrent posts<br/> Advisor, Kenedix, Inc.<br/> March 2021 - External Director, ES-CON JAPAN Ltd.<br/> (present post)<br/> July 2021 - Advisor, SMBC Trust Bank Ltd. (present<br/> post)</p> <p>(Main concurrent posts)<br/> Advisor, Kenedix, Inc.<br/> Advisor, SMBC Trust Bank Ltd.</p> | <b>3,000</b>                         |
| <p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b><br/> Mr. Kawashima offers a wealth of experience and a strong track record of achievements over many years leading the management of Kenedix, Inc. It was determined that the capacity to apply the strong insights he offers makes him an essential external director. Thus, we propose that he be appointed as an external director. He is expected to exercise highly effective management and oversight from a perspective independent of the management team, thereby strengthening the transparency and soundness of ES-CON JAPAN's management. Mr. Kawashima is currently serving as an External Director of ES-CON JAPAN. His tenure as External Director of ES-CON JAPAN Ltd. will be one year at the end of this General Meeting.</p> |  |   |                                      |

| Candidate No.      | Name (Date of Birth)                     | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)   | Number of Company Shares Owned |
|--------------------|--|--|--------------------------------|
| 5<br>Reappointment | <b>Keiko Otsuki</b><br>(August 10, 1955) | <p>April 1979 - Joined Mitsubishi Electric Corporation</p> <p>February 1985 - Joined Credit Lyonnaise Bank (now Credit Agricole Bank)</p> <p>January 1991 - Joined Morgan Stanley Dean Witter (now Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)</p> <p>January 1996 - Joined UBS Securities Japan (now UBS Securities Co., Ltd.)</p> <p>January 1998 - Joined Morgan Stanley Dean Witter (now Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)<br/>Vice President/Senior Analyst, Equities Research Division</p> <p>April 2003 - Joined Morgan Stanley Japan Global Properties (now Morgan Stanley Capital Co., Ltd.)<br/>Executive Director</p> <p>January 2008 - Joined Morgan Stanley Japan (now Mitsubishi UFJ Morgan Stanley Securities Co. Ltd.)<br/>Managing Director</p> <p>June 2018 - Director, MRD (present post)</p> <p>February 2020 - External Director, KRS Corporation (present post)</p> <p>March 2021 - External Director, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)<br/>Director, MRD<br/>External Director, K.R.S. Corporation</p> | <b>0</b>                       |
|                    |  | <p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Ms. Otsuki offers a wealth of experience and a strong track record of achievements, including work as a securities analyst overseas. In light of the remarkable insights she can provide, it was determined that she is an essential external director. We propose that she be appointed as an external director. For the reasons stated above, although the candidate has no previous involvement in the company's management other than as external director, she is deemed capable of performing the duties of an external director. She is expected to exercise highly effective management and oversight from a perspective independent of the management team, thereby strengthening the transparency and soundness of ES-CON JAPAN's management. Ms. Otsuki is currently serving as an External Director of ES-CON JAPAN. Her tenure as External Director of ES-CON JAPAN Ltd. will be one year at the end of this General Meeting.</p>   |                                |

- (Note)
1. No special interests exist between the candidates and our company.
  2. Kenji Fujita has been an executive of ES-CON JAPAN's parent company, Chubu Electric Power Co., Inc., for the past 10 years. His positions and responsibilities with Chubu Electric Power over the past 10 years are shown under "History and Position/Area of Responsibility in Our Company (Main Concurrent Posts)" above.

3. Mr. Kawashima and Ms. Otsuki are candidates for external director.
4. ES-CON JAPAN Ltd. has executed limited liability agreements with Atsushi Kawashima and Keiko Otsuki in accordance with Article 427, Paragraph 1 of the Companies Act of Japan. If their reappointments are approved, we plan to execute renewing agreements with them containing terms and conditions similar to those of the existing agreements. The following is an overview of this agreement:
  - In the event that a director (excluding personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages attributable to his/her own negligence in the performance of his/her duties, that director shall bear the legally established minimum liability.
5. The Tokyo Stock Exchange has been notified of Atsushi Kawashima's and Keiko Otsuki's status as independent officers. If their reappointments are approved, we plan to notify the Tokyo Stock Exchange that they will continue to serve as independent officers.
6. ES-CON JAPAN Ltd. has concluded an executive liability insurance policy with an insurer as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan, naming its directors as the insured. We plan to continue to renew this policy. If each of the candidates is reappointed or newly appointed, he or she will continue to be the named insured under this policy. This policy covers damages related to compensation for damages and litigation costs borne by the insured for matters within the liability of directors to third parties and to ES-CON JAPAN. It does not cover matters due to deliberate action or gross negligence.

## Agenda Item 4 Election of three directors who are auditor directors

The term of office will expire at the end of this General Meeting for all three directors who are auditor directors. We therefore propose the election of three directors who are auditor directors.

This agenda item has been approved by the Auditors Committee.

Candidates are as follows:

| Candidate No. | Name (Date of Birth)                              | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)  | Number of Company Shares Owned |
|---------------|---|---|--------------------------------|
| 1             | <b>Masayoshi Nishitake</b><br>(September 9, 1962) | April 1986 - Joined Daiwa Bank, Limited (now Resona Bank, Limited)<br>November 2005 - General Manager, Sales Dept. No. 1, Kameido Branch and Kinshicho Branch, Resona Bank, Limited<br>June 2007 - General Manager, Kitakyushu Branch, Resona Bank, Limited<br>July 2010 - General Manager, Sales Dept. No. 3, Ueno/Nippori Area, Resona Bank, Limited<br>October 2012 - Head, Payment Solutions Section, Corporate Solution Sales Dept., Resona Bank, Limited<br>April 2018 - Executive Officer and General Manager, Product Development & Sales Dept., Resona Kessai Service Co., Ltd. (present post)<br>March 2020 - External Director (Full-time Auditor Director), ES-CON JAPAN Ltd. (present post)<br>Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)  | <b>2,400</b>                   |
|               |   | <p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Mr. Nishitake offers a wealth of experience and an extensive track record with financial institutions. In light of the remarkable insights he offers as a result of this experience and track record, it was determined that he is an essential external director. We propose that he be appointed once again as external director. Although he lacks previous experience in contributing to corporate management other than as an external director, for the reasons stated above, it has been decided that he is capable of performing the duties of an external director. Additionally, Mr. Nishitake's membership in the Nomination and Remuneration Advisory Committee is expected to contribute to objective and neutral decisions on matters such as director appointment and remuneration. Mr. Nishitake is currently serving as an External Director (Full-time Auditor Director) of ES-CON JAPAN. His tenure as External Director (Full-time Auditor Director) of ES-CON JAPAN Ltd. will be two years at the end of this General Meeting.</p> |                                |

| Candidate No. | Name (Date of Birth)                      | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)   | Number of Company Shares Owned |
|---------------|---|--|--------------------------------|
| 2             | <b>Hiroto Mizobata</b><br>(July 31, 1963) | April 1986 - Joined KPMG Asahi Shinwa Accounting, Inc. (now KPMG AZSA LLC)<br>March 1988 - Registered as certified public accountant<br>December 1991 - Registered as licensed tax accountant<br>March 1992 - Representative, Mizobata CPA Office (present post)<br>March 2015 - External Auditor, ES-CON JAPAN Ltd.<br>June 2015 - External Director (Auditor Director), Yamaki Co., Ltd. (present post)<br>External Director, Kyocera Corporation (present post)<br>March 2016 - External Director (Auditor Director), ES-CON JAPAN Ltd. (present post)<br>January 2020 - Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)<br>(Main concurrent posts)<br>Representative, Mizobata CPA Office<br>External Director (Auditor Director), Yamaki Co., Ltd.   | <b>4,600</b>                   |
|               |   | <p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Mr. Mizobata brings wide-ranging experience and keen judgment to bear across a wide range of issues as a certified public accountant, licensed tax accountant, and manager. He has provided apt counsel to further ES-CON JAPAN's business activities and overall management. We believe Mr. Mizobata can effectively fulfill the duties of External Director and therefore propose that he be appointed once again as external director. Additionally, Mr. Mizobata's membership in the Nomination and Remuneration Advisory Committee is expected to contribute to objective and neutral decisions on matters such as director appointment and remuneration. Mr. Mizobata is currently serving as an External Director (Auditor Director) of ES-CON JAPAN. His tenure as External Director of ES-CON JAPAN will be six years at the end of this General Meeting.</p> |                                |

| Candidate No.      | Name (Date of Birth)  | History and Position / Area of Responsibility in Our Company (Main Concurrent Posts)  | Number of Company Shares Owned |
|--------------------|---|---|--------------------------------|
| 3<br>Reappointment | <b>Tadashi Fukuda</b><br>(March 4, 1953)  | <p>April 1986 - Registered as lawyer<br/>Joined Daiichi Law Office (now Daiichi Law Office, P.C.)</p> <p>June 2000 - External Auditor, Shinyei Kaisha</p> <p>December 2012 - External Auditor, ES-CON JAPAN Ltd.</p> <p>June 2015 - External Director, Shinyei Kaisha<br/>External Auditor, EXEDY Corporation (present post)</p> <p>March 2016 - External Auditor, ES-CON JAPAN Ltd.<br/>Executive Partner, Daiichi Law Office, P.C. (present post)</p> <p>June 2016 - External auditor, Mitsubishi Tanabe Pharma Corporation (present post)</p> <p>March 2020 - External Director (Auditor Director), ES-CON JAPAN Ltd. (present post)</p> <p>Member, Nomination and Remuneration Advisory Committee, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)</p> <p>Executive Partner, Daiichi Law Office, P.C.<br/>External Auditor, EXEDY Corporation</p> | <b>1,000</b>                   |
|                    | <p><b>Reason for Candidacy as External Director and Overview of Expected Roles</b></p> <p>Mr. Fukuda offers a wealth of experience in corporate law as a lawyer as well as extensive expertise in other areas, which contribute to the management of ES-CON JAPAN Ltd. Although he lacks previous experience in contributing to corporate management other than as external director, for the reasons stated above, it has been decided that he is capable of performing the duties of an external director and we therefore propose that he be appointed once again as external director. Additionally, Mr. Fukuda's membership in the Nomination and Remuneration Advisory Committee is expected to contribute to objective and neutral decisions on matters such as director appointment and remuneration. Mr. Fukuda is currently serving as an External Director (Auditor Director) of ES-CON JAPAN. His tenure as External Director (Auditor Director) of ES-CON JAPAN Ltd. will be two years at the end of this General Meeting.</p> |   |                                |

- (Note)
1. No special conflict of interests exist between any of the above candidates and our company.
  2. Masayoshi Nishitake, Hiroto Mizobata, and Tadashi Fukuda are candidates for External Director.
  3. Hiroto Mizobata and Tadashi Fukuda have served in the past as non-managing Directors (Auditors) of ES-CON JAPAN.
  4. Tadashi Fukuda served as an external director of Shinyei Kaisha until June 2017. After his resignation, it was discovered that a consolidated subsidiary of Shinyei Kaisha had engaged in improper trading practices during his term in office. Although Mr. Fukuda was unaware of the improper trading practices before their discovery, he had repeatedly reminded management of the importance of legal and regulatory compliance at board of directors meetings and on other opportunities.

5. ES-CON JAPAN Ltd. has executed limited liability agreements with Masayoshi Nishitake, Hiroto Mizobata, and Tadashi Fukuda in accordance with Article 427, Paragraph 1 of the Companies Act of Japan. If their reappointments are approved, we plan to execute renewing agreements with them containing terms and conditions similar to those of the existing agreements.

The following is an overview of these agreements:

- In the event that a director (excluding personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages attributable to his/her own negligence in the performance of his/her duties, that director shall bear the legally established minimum liability.
6. The Tokyo Stock Exchange has been notified of Hiroto Mizobata's and Tadashi Fukuda's status as independent officers. If their reappointments are approved, we plan to notify the Tokyo Stock Exchange that they will continue to serve as independent officers.
  7. ES-CON JAPAN Ltd. has concluded an executive liability insurance policy with an insurer as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan. This policy names its directors as the insured. We plan to renew this policy. If the appointments of the above candidates are approved, the candidates will be the named the insured under this policy.  
This policy covers damages related to compensation for damages and litigation costs borne by the insured for matters within the scope of liability of directors to third parties and to ES-CON JAPAN. It does not cover matters attributable to deliberate action or gross negligence.



Agenda Item 5

**Election of one director as reserve auditor director to fill potential vacancy**

To keep the number of auditors from falling below the legally established requirement, we propose the election of one director as a reserve auditor director to fill any potential vacancy.

This agenda item has been approved by the Auditors Committee.

The reserve auditor director candidate is as follows:

| Name<br>(Date of Birth)                         | History and Position (Main Concurrent Posts)  | Number of<br>Company Shares<br>Owned |
|---|---|--------------------------------------|
| <p><b>Tomonao Iechika</b><br/>(May 7, 1976)</p> | <p>October 2005 - Registered as lawyer<br/>                     Joined Daiichi Law Office (Currently Daiichi Law Office, P.C.)<br/>                     July 2010 - Dispatched to the Inspection Bureau, Financial Services Agency<br/>                     January 2015 - Partner, Daiichi Legal Professional Corporation (present post)<br/>                     (Main concurrent posts)<br/>                     Partner, Daiichi Legal Professional Corporation</p> | <p><b>31,300</b></p>                 |

**Reason for Candidacy as Reserve External Director**

Mr. Iechika has a wealth of experience as a lawyer and extensive expertise. We nominate him as reserve external director because we believe his wealth of experience and extensive expertise will be reflected in management of ES-CON JAPAN Ltd. The candidate has no previous contributions to the company other than his services as external director, but for the reasons stated here, we deem that he is capable of performing the duties of an external director. Additionally, Mr. Iechika's membership in the Nomination and Remuneration Advisory Committee is expected to contribute to objective and neutral decisions on matters such as director appointment and remuneration.

- (Note)
1. No special interests exist between this candidate and our company.
  2. Mr. Iechika is a candidate for reserve external director.
  3. If the appointment of Mr. Iechika is approved and he is elected to the position of director and concurrent member of the Auditor Committee, ES-CON JAPAN Ltd. will execute a limited liability agreement in accordance with Article 427, Paragraph 1 of the Companies Act of Japan.  
 The following is an overview of this agreement:
    - In the event that a director (excluding personnel who are managing directors) is responsible for circumstances generating liabilities for ES-CON JAPAN Ltd. with respect to compensation for damages attributable to his/her own negligence in the performance of his/her duties, that director shall bear the legally established minimum liability.
  4. ES-CON JAPAN Ltd. has concluded an executive liability insurance policy with an insurer as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan. This policy names its directors as the insured. We plan to continue to renew this policy. If the appointment of Mr. Iechika is approved and he is elected to the position of director and concurrent member of the Auditor Committee, he will be the named insured under this policy.  
 This policy covers damages related to compensation for damages and litigation costs borne by the insured for matters within the liability of directors to third parties and to ES-CON JAPAN. It does not cover matters attributable to deliberate action or gross negligence.