

June 8, 2023

To our shareholders:

Supplementary Explanation Regarding a Proposal  
for the Annual General Meeting of Shareholders for the FYE March 31, 2023

In connection with Proposal No. 3, “Election of Six (6) Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members),” put forward for consideration at the Annual General Meeting of Shareholders of HAZAMA ANDO CORPORATION (hereinafter “HAZAMA ANDO” or “the Company”) for the fiscal year ended March 31, 2023, scheduled for June 29, 2023, the Company confirmed that the proxy advisor, Glass, Lewis & Co., LLC (hereinafter referred to as “GL”), issued a report outlining their recommendation for a vote against candidate No. 4, Masami Fujita, of the six candidates.

In response to this recommendation, a supplementary explanation for the Company’s opinion regarding this proposal is provided below.

1. Details of GL’s recommendation opposing Proposal No. 3

GL issued a recommendation to vote against the proposed election of Masami Fujita, stating that the candidate has held one additional concurrent post at a listed company since March 2023. In GL’s opinion, this additional concurrent post positions the candidate as a person involved in the execution of duties at a listed company who is concurrently serving as a director or Audit and Supervisory Committee member of at least three listed companies. As such, GL believes that Mr. Fujita is overcommitted to other boards, or overboarded.

2. HAZAMA ANDO’s Opinion

When nominating candidates, HAZAMA ANDO selects each candidate after confirming that the nomination ensures an environment in which he or she can fully demonstrate and fulfill the expected role.

Masami Fujita has served as an Outside Director of the Company since June 2017, and currently serves as the chairperson of the Governance Advisory Committee, a voluntary nomination and remuneration committee. The Company believes Mr. Fujita is an irreplaceable member of the Company’s Board of Directors in that he makes the most of his extensive experience and knowledge as a manager in a business that differs from that of the Company, and serves as a leader who energizes discussions by the Board of Directors as a whole, and who strengthens the governance function. Moreover, in the event that Mr. Fujita’s reelection is approved, the Company plans to continue his position as chairperson of the voluntary nomination and remuneration committee.