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Securities Code: 1719

June 1, 2023

(Date of commencement of electronic provision measures: May 25, 2023)

To our shareholders:

Kazuhiko Kuniya  
Representative Director and President  
**HAZAMA ANDO CORPORATION**  
1-9-1, Higashi-Shimbashi, Minato-ku, Tokyo

### **Notice of the Annual General Meeting of Shareholders for the FYE March 31, 2023**

Please be kindly informed that the Annual General Meeting of Shareholders of HAZAMA ANDO CORPORATION (the “Company”) for the FYE March 31, 2023 will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures, which provide information contained in the Reference Documents for General Meeting of Shareholders, etc. in electronic format, and has posted this information on the Company websites as “Notice of the Annual General Meeting of Shareholders for the FYE March 31, 2023” and “Other matters subject to the electronic provision measures of the Annual General Meeting of Shareholders for the FYE March 31, 2023 (matters omitted in the delivered paper copy)” (available in Japanese only) on the Internet. Please access the following Company website to review the information.

**[The Company website]**

[https://www.ad-hzm.co.jp/english/stock\\_information/](https://www.ad-hzm.co.jp/english/stock_information/)

In addition to the above, the information is also posted on the following websites on the Internet.

**[Tokyo Stock Exchange (TSE) website (Listed Company Search)]**

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the TSE website above, enter the Company name in the “Issue name (company name)” field or our securities code in the “Code” field, and click on “Search” to find search results. Then, click on “Basic information” and “Documents for public inspection/PR information” to find “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting]” in the “Filed information available for public inspection” section.

**[General Meeting of Shareholders on the Internet] (available in Japanese only)**

<https://s.srdb.jp/1719/>

In lieu of attending the meeting, you may exercise your voting rights via the Internet or in writing. Please review the attached Reference Documents for General Meeting of Shareholders, and then enter your approval or disapproval of the proposals via the Internet or return the voting form to the Company by postal mail so that your vote is received by **5:15 p.m. on Wednesday, June 28, 2023 (JST)**.

- 1. Date and Time:** Thursday, June 29, 2023, at 10:00 a.m. (JST)  
**2. Venue:** Head Office of the Company (Conference room on 4F)  
1-9-1, Higashi-Shimbashi, Minato-ku, Tokyo

**3. Purpose of the Meeting**

**Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the FYE March 31, 2023 (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the FYE March 31, 2023 (from April 1, 2022 to March 31, 2023)

**Matters to be resolved:**

- Proposal No. 1** Appropriation of Surplus  
**Proposal No. 2** Partial Amendments to the Articles of Incorporation  
**Proposal No. 3** Election of Six (6) Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)  
**Proposal No. 4** Election of Four (4) Board Directors Serving as Audit and Supervisory Committee Members  
**Proposal No. 5** Establishment of the Amount of Compensation, etc., for Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)  
**Proposal No. 6** Establishment of the Amount of Compensation, etc., for Board Directors Serving as Audit and Supervisory Committee Members  
**Proposal No. 7** Partial Amendment to Amount and Contents of Performance-Linked Stock Compensation for Board Directors, etc. (Excluding Board Directors Serving as Audit and Supervisory Committee Members)

**4. Other Matters Determined upon Convocation**

- (1) If you have exercised your voting rights both by mailing the voting form and via the Internet, only the exercise of voting rights via the Internet shall be deemed valid.  
In addition, if you have exercised your voting rights more than once via the Internet, only the final exercise of the voting rights shall be deemed effective.
- (2) Regarding the exercise of voting rights by proxy, pursuant to the provision of Article 17 of the Articles of Incorporation of the Company, you may exercise your voting rights by designating another shareholder with voting rights in the Company to exercise your voting rights as your proxy. In this case, the shareholder or proxy must submit to the Company a written statement attesting to the right of proxy.
- (3) In the voting form submitted to the Company, if no indication of approval or disapproval is provided for each proposal, it will be treated as an indication of approval.

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- If you plan to attend the meeting in person, please present the enclosed voting form at the reception desk upon your arrival.
  - The reception desk is scheduled to open at 9:00 a.m. on the day of the meeting.
  - Among the matters subject to electronic provision measures, the following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company. Accordingly, the paper copy to be delivered to shareholders who made a request for delivery of documents constitutes only part of the documents audited by the Audit & Supervisory Board Members and Financial Auditor in preparation of audit reports.  
(i) Notes to Consolidated Financial Statements, (ii) Notes to Non-consolidated Financial Statements
  - If any amendments are made to matters subject to the electronic provision measures, such amendments will be posted on the respective websites where the matters are posted.

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company enhances sustained improvement of corporate value and both investment and internal reserves for future growth from the medium- and long-term perspective, and also maintains a basic policy to pay dividends to its shareholders on a stable and continual basis taking into consideration the Company's business performance, consolidated financial results, future profit forecast, etc.

The Company has given comprehensive consideration to matters including the business performance, financial results, etc. for the FYE March 31, 2023, and proposes to pay a year-end dividend of ¥20 per share. Accordingly, including the interim dividend of ¥20 per share, the annual dividend for the FYE March 31, 2023 will total ¥40 per share.

#### Year-end dividends

1. Type of dividend property  
Cash
2. Allotment of dividend property to shareholders and their aggregate amount  
¥20 per common share of the Company  
Total payment: ¥3,156,107,160
3. Effective date of dividends of surplus  
June 30, 2023

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments

- (1) The Company intends to make the transition from a company with the Audit & Supervisory Board to a company with the Audit and Supervisory Committee. This transition is intended to further enhance our corporate governance and achieve sustained improvement in corporate value by further strengthening the supervisory function of the Board of Directors and improving the flexibility of business execution. In accordance with this, we will establish new provisions pertaining to Audit and Supervisory Committee Members and the Audit and Supervisory Committee necessary for the transition to a company with the Audit and Supervisory Committee, establish new provisions pertaining to delegation of authority to Board Directors to make decisions regarding important business execution, and delete provisions pertaining to Audit & Supervisory Board Members and the Audit & Supervisory Board.
- (2) In line with each of the above changes, the numbering of articles and other will be modified.

2. Details of the Amendments

The details of the amendments are as follows.

(Amended sections are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 to Article 3 (Omitted)</p> <p>(Organs) Article 4 The Company shall establish the following organs in addition to the general meeting of shareholders and Board Directors.</p> <ol style="list-style-type: none"> <li>1. Board of Directors</li> <li>2. <u>Audit &amp; Supervisory Board Members</u></li> <li>3. <u>Audit &amp; Supervisory Board</u></li> <li>4. Financial Auditor</li> </ol> <p>Article 5 to Article 17 (Omitted)</p> <p>(Minutes) Article 18 A substance of proceedings and the outcome of the general meeting of shareholders and other matters stipulated by laws and regulations shall be entered or recorded in the minutes and <u>the Chair and the Board Directors present shall affix their names and seals or electronic signatures and preserve such minutes.</u></p> <p>(Number of Board Directors) Article 19 The number of the Company’s Board Directors <u>shall not be more than twelve (12).</u></p> <p>(Method of Election) Article 20 Board Directors shall be elected at a general meeting of shareholders.</p> <ol style="list-style-type: none"> <li>2. (Omitted)</li> <li>3. (Omitted)</li> </ol> <p>(Term of Office) Article 21 The term of office of Board Directors expires at the conclusion of the annual general meeting of shareholders for the last business year which ends within one year from the time of their election.</p>	<p>Article 1 to Article 3 (Unchanged)</p> <p>(Organs) Article 4 The Company shall establish the following organs in addition to the general meeting of shareholders and Board Directors.</p> <ol style="list-style-type: none"> <li>1. Board of Directors</li> <li>2. <u>Audit and Supervisory Committee</u> &lt;Deleted&gt;</li> <li>3. Financial Auditor</li> </ol> <p>Article 5 to Article 17 (Unchanged)</p> <p>(Minutes) Article 18 A substance of proceedings and the outcome of the general meeting of shareholders and other matters stipulated by laws and regulations shall be entered or recorded in the minutes and <u>preserved.</u></p> <p>(Number of Board Directors) Article 19 The number of the Company’s Board Directors <u>(excluding those serving as Audit and Supervisory Committee Members) shall not be more than twelve (12), and Board Directors serving as Audit and Supervisory Committee Members shall not be more than five (5).</u></p> <p>(Method of Election) Article 20 Board Directors shall be elected at a general meeting of shareholders, <u>while distinguishing the Board Directors serving as Audit and Supervisory Committee Members and those who are not.</u></p> <ol style="list-style-type: none"> <li>2. (Unchanged)</li> <li>3. (Unchanged)</li> </ol> <p>(Term of Office) Article 21 The term of office of Board Directors <u>(excluding those serving as Audit and Supervisory Committee Members)</u> expires at the conclusion of the annual general meeting of shareholders for the last business year which ends within one year from the time of their election.</p>

Current Articles of Incorporation	Proposed Amendments
<Newly established>	<p><u>2. The term of office for Board Directors serving as Audit and Supervisory Committee Members expires at the conclusion of the annual general meeting of shareholders for the last business year which ends within two years from the time of their election.</u></p>
<Newly established>	<p><u>3. The term of office of Board Directors serving as Audit and Supervisory Committee Members elected as a substitute for Board Directors serving as Audit and Supervisory Committee Members who retired before expiry of their term of office expires at the time when the term of office of the retired Board Directors serving as Audit and Supervisory Committee Members expires.</u></p>
(Representative Director) Article 22 The Board of Directors shall appoint Representative Directors by its resolution.	(Representative Director) Article 22 The Board of Directors shall appoint Representative Directors <u>from among the Board Directors (excluding those serving as Audit and Supervisory Committee Members)</u> by its resolution.
Article 23 (Omitted)	Article 23 (Unchanged)
(Notice of the Board of Directors Meeting) Article 24 Notice of the Board of Directors meeting shall be sent to Board Directors <u>and Audit &amp; Supervisory Board Members</u> at least three (3) days prior to the day fixed for the meeting. However, in urgent cases, this time frame may be shortened. 2. The Board of Directors meeting may be held without going through the procedure for convocation, provided that the consent of all Board Directors <u>and Audit &amp; Supervisory Board Members</u> is obtained.	(Notice of the Board of Directors Meeting) Article 24 Notice of the Board of Directors meeting shall be sent to Board Directors at least three (3) days prior to the day fixed for the meeting. However, in urgent cases, this time frame may be shortened.  2. The Board of Directors meeting may be held without going through the procedure for convocation, provided that the consent of all Board Directors is obtained.
Article 25 to Article 26 (Omitted)	<u>Article 25 to Article 26 (Unchanged)</u>
<Newly established>	<u>(Delegation of Decision-making for Important Business Executions)</u> <u>Article 27 Pursuant to the provisions of Article 399-13, paragraph 6 of the Companies Act, the Company may, by resolution of the Board of Directors, delegate to Board Directors all or part of decision-making on important business executions (excluding matters listed in each item of Article 399-13, paragraph 5 of the Companies Act).</u>
(Minutes of the Board of Directors Meeting) Article <u>27</u> A substance of proceedings and the outcome of the Board of Directors meeting and other matters stipulated by laws and regulations shall be entered or recorded in the minutes, and the Board Directors <u>and the Audit &amp; Supervisory Board Members</u> present shall affix their names and seals or electronic signatures and preserve such minutes.	(Minutes of the Board of Directors Meeting) Article <u>28</u> A substance of proceedings and the outcome of the Board of Directors meeting and other matters stipulated by laws and regulations shall be entered or recorded in the minutes, and the Board Directors present shall affix their names and seals or electronic signatures and preserve such minutes.
Article <u>28</u> (Omitted)	Article <u>29</u> (Unchanged)
<Newly established>	<u>(Compensation, etc.)</u> <u>Article 30 The financial benefits received from the Company as a consideration for the execution of the duties, such as compensation, etc. and bonuses of Board Directors shall be fixed by a resolution at a general meeting of shareholders, while distinguishing the Board Directors serving as Audit and Supervisory Committee Members and those who are not.</u>

Current Articles of Incorporation	Proposed Amendments
<p>Article <u>29</u> (Omitted)</p> <p style="text-align: center;">Chapter 5 <u>Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</u></p> <p>(Number of Audit &amp; Supervisory Board Members)  Article 30 <u>The number of Audit &amp; Supervisory Board Members of the Company shall not be more than four (4).</u></p> <p>(Method of Election)  Article 31 <u>Audit &amp; Supervisory Board Members shall be elected at a general meeting of shareholders.</u>  2. <u>A resolution to elect Audit &amp; Supervisory Board Members shall be adopted by a majority of the voting rights of the shareholders present at the meeting where the shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights are present.</u></p> <p>(Term of Office)  Article 32 <u>The term of office of Audit &amp; Supervisory Board Members expires at the conclusion of the annual general meeting of shareholders for the last business year which ends within four years from the time of their election.</u>  2. <u>The term of office of Audit &amp; Supervisory Board Members elected as a substitute for Audit &amp; Supervisory Board Members who retired before expiry of their term of office expires at the time when the term of office of the retired Audit &amp; Supervisory Board Members expires.</u></p> <p>(Full-time Audit &amp; Supervisory Board Members)  Article 33 <u>The Audit &amp; Supervisory Board shall, by its resolution, elect full-time Audit &amp; Supervisory Board Members.</u></p> <p>(Notice of the Audit &amp; Supervisory Board Meeting)  Article 34 <u>Notice of the Audit &amp; Supervisory Board meeting shall be sent to Audit &amp; Supervisory Board Members at least three (3) days prior to the day fixed for the meeting. However, in urgent cases, this time frame may be shortened.</u>  2. <u>The Audit &amp; Supervisory Board meeting may be held without going through the procedure for convocation, provided that the consent of all Audit &amp; Supervisory Board Members is obtained.</u></p> <p>(Method of Resolutions of the Audit &amp; Supervisory Board)  Article 35 <u>Resolutions of the Audit &amp; Supervisory Board shall be adopted by a majority of all Audit &amp; Supervisory Board Members, except when otherwise stipulated by laws and regulations.</u></p> <p>(Minutes of the Audit &amp; Supervisory Board Meeting)  Article 36 <u>A substance of proceedings and the outcome of the Audit &amp; Supervisory Board meeting and other matters stipulated by laws and regulations shall be entered or recorded in the minutes, and the Audit &amp; Supervisory Board Members present shall affix their names and seals or electronic signatures and preserve such minutes.</u></p>	<p>Article <u>31</u> (Unchanged)</p> <p style="text-align: center;">Chapter 5 <u>Audit and Supervisory Committee</u></p> <p>&lt;Deleted&gt;</p> <p>&lt;Deleted&gt;</p> <p>&lt;Deleted&gt;</p> <p>(Full-time Audit and Supervisory Committee Members)  Article 32 <u>The Audit and Supervisory Committee may, by its resolution, elect full-time Audit and Supervisory Committee Members from among Audit and Supervisory Committee Members.</u></p> <p>(Notice of the Audit and Supervisory Committee Meeting)  Article 33 <u>Notice of the Audit and Supervisory Committee meeting shall be sent to Audit and Supervisory Committee Members at least three (3) days prior to the day fixed for the meeting. However, in urgent cases, this time frame may be shortened.</u>  2. <u>The Audit and Supervisory Committee meeting may be held without going through the procedure for convocation, provided that the consent of all Audit and Supervisory Committee Members is obtained.</u></p> <p>&lt;Deleted&gt;</p> <p>(Minutes of the Audit and Supervisory Committee Meeting)  Article 34 <u>A substance of proceedings and the outcome of the Audit and Supervisory Committee meeting and other matters stipulated by laws and regulations shall be entered or recorded in the minutes, and the Audit and Supervisory Committee Members present shall affix their names and seals or electronic signatures and preserve such minutes.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Regulations of the Audit &amp; Supervisory Board)  Article <u>37</u> Matters related to <u>the Audit &amp; Supervisory Board</u> will be subject to <u>the Audit &amp; Supervisory Board</u> regulations adopted by <u>the Audit &amp; Supervisory Board</u>, as well as laws and regulations and the Articles of Incorporation.</p>	<p>(Regulations of the Audit and Supervisory Committee)  Article <u>35</u> Matters related to <u>the Audit and Supervisory Committee</u> will be subject to <u>the Audit and Supervisory Committee</u> regulations adopted by <u>the Audit and Supervisory Committee</u>, as well as laws and regulations and the Articles of Incorporation.</p>
<p>(Exemption of Audit &amp; Supervisory Board Members from Liability)  Article <u>38</u> Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may, within the limit of laws and regulations, <u>exempt Audit &amp; Supervisory Board Members (including former Audit &amp; Supervisory Board Members) from liability for damages by a resolution of the Board of Directors.</u>  2. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into contracts with Outside Audit &amp; Supervisory Board Members to limit their liability for damages resulting from the neglect of their duties. However, the limitation of liability under such contract shall be in accordance with the <u>amount stipulated by laws and regulations.</u></p>	<p>&lt;Deleted&gt;</p>
<p>Article <u>39</u> to Article <u>41</u> (Omitted)</p>	<p>Article <u>36</u> to Article <u>38</u> (Unchanged)</p>
<p>(Organs that Decide Dividends of Surplus)  Article <u>42</u> The Company may decide dividends of surplus and other matters stipulated by each item of Article 459, paragraph 1 of the Companies Act, <u>not by a resolution of a general meeting of shareholders, but</u> by a resolution of the Board of Directors, unless otherwise stipulated by laws or regulations.</p>	<p>(Organs that Decide Dividends of Surplus)  Article <u>39</u> The Company may decide dividends of surplus and other matters stipulated by each item of Article 459, paragraph 1 of the Companies Act by a resolution of the Board of Directors, unless otherwise stipulated by laws or regulations.</p>
<p>Article <u>43</u> to Article <u>44</u> (Omitted)</p>	<p>Article <u>40</u> to Article <u>41</u> (Unchanged)</p>
<p>&lt;Newly established&gt;</p>	<p>(Supplementary Provisions)  (Transitional Measures Concerning Exemption from Liability of Audit &amp; Supervisory Board Members)  Article 1 Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may exempt the liabilities for damage under Article 423, paragraph 1 of the Companies Act, within the limit of laws and regulations, by a resolution of the Board of Directors for acts of <u>Audit &amp; Supervisory Board Members (including former Audit &amp; Supervisory Board Members)</u> before the conclusion of the Annual General Meeting of Shareholders for the FYE March 31, 2023.   (Transitional Measures Concerning Limited Liability Contract of Outside Audit &amp; Supervisory Board Members)  Article 2 Regarding contracts that limit liabilities for damages under Article 423, paragraph 1 of the Companies Act for acts of Outside Audit &amp; Supervisory Board Members (including former Outside Audit &amp; Supervisory Board Members) before the conclusion of the Annual General Meeting of Shareholders for the FYE March 31, 2023, such contracts shall be governed by the provisions of Article 38, paragraph 2 of the Articles of Incorporation before the amendment by <u>the resolution of the said general meeting of shareholders.</u></p>

**Proposal No. 3** Election of Six (6) Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all 12 Board Directors will expire. If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with the Audit and Supervisory Committee. Therefore, the Company proposes the election of six Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members).

This proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidates for Board Director are as follows.


Candidate No.	Name	Current position in the Company	Tenure (At the end of this meeting)	Attendance at Board meetings	Remarks
1	Kazuhiko Kuniya	Representative Director and President	1 year	100% (13 of 13 meetings)	Reelection
2	Ichiro Kato	Board Director and Senior Managing Executive Officer Director of Construction Division	2 years	100% (16 of 16 meetings)	Reelection
3	Takeshi Komatsu	Board Director and Managing Executive Officer Director of Business Development Division	2 years	100% (16 of 16 meetings)	Reelection
4	Masami Fujita	External Board Director	6 years	100% (16 of 16 meetings)	Reelection External Board Director Independent officer
5	Mariko Kitagawa	External Board Director	6 years	100% (16 of 16 meetings)	Reelection External Board Director Independent officer
6	Mieko Kuwayama	External Board Director	5 years	100% (16 of 16 meetings)	Reelection External Board Director Independent officer


Notes: 1. Mr. Kazuhiko Kuniya’s attendance at Board meetings only covers Board meetings held after his appointment as Board Director at the Annual General Meeting of Shareholders for the FYE March 31, 2022 held on June 29, 2022.


2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act, and this insurance contract is intended to cover the legal damages and litigation expenses that would be borne by the insured parties. If each candidate is appointed as Board Director, he or she will be included as an insured under the insurance policy. Furthermore, the Company plans to renew the insurance contract with the same contents at the next renewal.



Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	 <p>Kazuhiko Kuniya September 12, 1963 (59 years old)</p> <p>Reelection</p> <p>Tenure as Board Director 1 year</p> <p>Attendance at Board meetings during the FYE March 31, 2023 13 of 13 meetings (Attendance rate: 100%)</p>	<p>Apr. 1988 Joined HAZAMA CORPORATION</p> <p>Apr. 2016 General Manager of Civil Engineering Projects Planning Department, Civil Engineering Division of the Company</p> <p>July 2018 General Manager of Business Administration Planning Department, President Office and General Manager of Civil Engineering Projects Planning Department, Civil Engineering Division</p> <p>Apr. 2019 General Manager of Business Administration Planning Department, Deputy Director of Construction Division</p> <p>Apr. 2020 Executive Officer, Deputy Director of Tokyo Branch</p> <p>Apr. 2021 Executive Officer, Director of Kanto Branch</p> <p>Apr. 2022 Managing Executive Officer, in charge of Information, Director of Corporate Strategy Division</p> <p>June 2022 Board Director and Managing Executive Officer, in charge of Information, Director of Corporate Strategy Division</p> <p>Apr. 2023 Representative Director and President (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company None</p>	800 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p>Reasons for nomination as candidate for Board Director The candidate has been engaged in civil engineering construction over many years and possesses extensive experience, knowledge, and a high level of expertise of the construction business. He has been engaged in decision making of important matters in management and in supervision of business execution, as well as in promoting business administration planning and DX strategies. The Company believes that he will continue to provide leadership in the promotion of the Medium-Term Management Plan toward the realization of "HAZAMA ANDO VISION2030" and work toward the sustainable growth of the Company and the enhancement of corporate value for all stakeholders, and has therefore continuously nominated him as a candidate for Board Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
2	 <p>Ichiro Kato June 19, 1960 (62 years old)</p> <p>Reelection</p> <p>Tenure as Board Director 2 years</p> <p>Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p>Apr. 1983    Joined HAZAMA CORPORATION</p> <p>Nov. 2010    General Manager of Civil Engineering Department, Kanto Civil Engineering Branch</p> <p>Apr. 2013    General Manager of Civil Engineering Department, Kanto Civil Branch of the Company</p> <p>Apr. 2014    Deputy Director of Kanto Civil Branch</p> <p>Apr. 2018    Executive Officer, Director of Kanto Civil Branch</p> <p>Apr. 2019    Executive Officer, Director of Kanto Branch</p> <p>Apr. 2020    Managing Executive Officer, Director of Kanto Branch</p> <p>Apr. 2021    Managing Executive Officer, Director of Construction Division</p> <p>June 2021    Board Director and Managing Executive Officer, Director of Construction Division</p> <p>Apr. 2023    Board Director and Senior Managing Executive Officer, Director of Construction Division (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company None</p>	2,600 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p>Reasons for nomination as candidate for Board Director The candidate has been engaged in civil engineering construction over many years and possesses extensive experience, knowledge, and a high level of expertise of the construction business. He has been engaged in decision making of important matters in management and in supervision of business execution, as well as in overseeing the construction of civil engineering and building construction businesses.</p> <p>The Company believes that he will continue to contribute to the sustainable growth and enhancement of corporate value of the Company by utilizing experience and insight that he has cultivated so far, especially in the fields of "Safety / Quality Control," "Environmental Strategy," and "Technology Development / DX Strategy," and has therefore continuously nominated him as a candidate for Board Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
3	 <p data-bbox="272 584 603 640">Takeshi Komatsu November 13, 1957 (65 years old)</p> <p data-bbox="272 674 603 707">Reelection</p> <p data-bbox="272 741 603 797">Tenure as Board Director 2 years</p> <p data-bbox="272 831 603 947">Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p data-bbox="619 248 1233 282">Apr. 1982 Joined ANDO Corporation</p> <p data-bbox="619 282 1233 338">Apr. 2009 General Manager of Construction Department, Kyushu Branch</p> <p data-bbox="619 338 1233 371">Apr. 2010 Deputy Director of Kyushu Branch</p> <p data-bbox="619 371 1233 405">Apr. 2012 Director of Hiroshima Branch</p> <p data-bbox="619 405 1233 461">Apr. 2013 Executive Officer, Deputy Director, Kyushu Branch of the Company</p> <p data-bbox="619 461 1233 495">Apr. 2015 Executive Officer, Director of Kyushu Branch</p> <p data-bbox="619 495 1233 528">Apr. 2018 Executive Officer, Director of Nagoya Branch</p> <p data-bbox="619 528 1233 562">Apr. 2019 Executive Officer, Director of Tokyo Branch</p> <p data-bbox="619 562 1233 618">Apr. 2020 Managing Executive Officer, Director of Tokyo Branch</p> <p data-bbox="619 618 1233 674">Apr. 2021 Managing Executive Officer, Director of Business Development Division</p> <p data-bbox="619 674 1233 775">June 2021 Board Director and Managing Executive Officer, Director of Business Development Division (current position) (up to the present)</p> <p data-bbox="619 775 1233 831">Significant concurrent positions outside the Company None</p>	7,300 shares
<p data-bbox="272 947 1449 981">Relationship of special interest between the candidate and the Company</p> <p data-bbox="272 981 1449 1014">There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p data-bbox="272 1014 1449 1048">Reasons for nomination as candidate for Board Director</p> <p data-bbox="272 1048 1449 1160">The candidate has been engaged in building construction over many years and possesses extensive experience, knowledge, and a high level of expertise of the construction business. He has been engaged in decision making of important matters in management and in supervision of business execution, as well as in overseeing of sales of civil engineering and building construction businesses.</p> <p data-bbox="272 1160 1449 1267">The Company believes that he will continue to contribute to the sustainable growth and enhancement of corporate value of the Company by utilizing experience and insight that he has cultivated so far, especially in the fields of "Sales / Marketing," "Safety / Quality Control," and "Environmental Strategy," and has therefore continuously nominated him as a candidate for Board Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
4	 <p>Masami Fujita September 22, 1956 (66 years old)</p> <p>Reelection</p> <p>Candidate for External Board Director Independent officer</p> <p>Tenure as External Board Director 6 years</p> <p>Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p>Apr. 1980 Joined Fujitsu Limited</p> <p>Dec. 2001 General Manager of Secretary Department</p> <p>June 2006 Executive Officer</p> <p>June 2009 Managing Executive Officer</p> <p>Apr. 2010 Vice President</p> <p>June 2010 Board Director and Vice President</p> <p>June 2012 Representative Director and Vice President (resigned in April 2016)</p> <p>Apr. 2016 Representative Director and President of Fujitsu Marketing Limited (currently Fujitsu Japan Limited) (resigned in December 2018)</p> <p>June 2017 External Board Director of the Company (current position)</p> <p>Apr. 2019 Executive Vice President and Corporate Officer of SHINKO ELECTRIC INDUSTRIES CO., LTD.</p> <p>June 2019 President and Representative Director</p> <p>June 2021 Chairperson and Representative Director (current position)</p> <p>Mar. 2023 Outside Director, DIC Corporation (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company Chairperson and Representative Director of SHINKO ELECTRIC INDUSTRIES CO., LTD. Outside Director, DIC Corporation</p>	5,100 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p>Reasons for nomination as candidate for External Board Director and outline of expected roles The candidate has been engaged in management of enterprises involved in the businesses other than construction, which is the Company's key business area. Within the Company, he has brought more transparency in the Company's operations and contributed towards bolstering corporate governance, such as providing a variety of suggestions as an External Board Director based on his experience. Therefore, the Company has continuously nominated him as a candidate for External Board Director because it judges that he will continue to appropriately execute his duties such as supervision of the Company's management.</p> <p>After his appointment, the Company expects him to supervise the management from an objective standpoint independent of the business execution as an External Board Director of the Company by utilizing experience and insight that he has cultivated so far, especially in the fields of "Corporate Management / Management Strategy," "Risk Management / Compliance," and "Human Capital."</p> <p>Moreover, the Company will continue to appoint him as the chairman of the Governance Advisory Committee.</p>			


- Notes:
- Mr. Fujita is a candidate for External Board Director.
  - Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Fujita to limit his liabilities for damage under Article 423, paragraph 1 of the Companies Act.  
Pursuant to the Articles of Incorporation of the Company, the Company limits his liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act. If the reelection of Mr. Fujita is approved, the Company plans to renew the agreement with him.
  - The Company judges that Mr. Fujita's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Mr. Fujita and general shareholders. If the reelection of Mr. Fujita is approved, the Company plans to reappoint him as an independent officer and notify TSE of such reappointment.
  - Significant concurrent positions held at other organizations and the relationships between these organizations and the Company

The Company has business relationship with SHINKO ELECTRIC INDUSTRIES CO., LTD., including contract construction. Sales from SHINKO ELECTRIC INDUSTRIES CO., LTD. for the last three years accounted for less than 0.1% of the consolidated net sales of the Company for FYE March 31, 2021, about 0.3% of the consolidated net sales of the Company for FYE March 31, 2022, and about 2.1% of the consolidated net sales of the Company for FYE March 31, 2023; the impact of SHINKO ELECTRIC INDUSTRIES CO., LTD. on the Company is minimal. There is no other business relationship for the last three years between SHINKO ELECTRIC INDUSTRIES CO., LTD. and the Company, and the Company judges that there is no special interest between them. Fujitsu Marketing Limited (currently Fujitsu Japan Limited), where the candidate was appointed as Representative Director and President until December 2018, has a business relationship with the Company, including delivery of computers. Sales from the Company has been less than 0.1% of Fujitsu Marketing Limited's sales for the last three years and the impact of the Company on Fujitsu Marketing Limited is minimal. There is no other business relationship for the last three years between Fujitsu Marketing Limited and the

Company, and the Company judges that there is no special interest between them.

The Company has had no business relationship for the last three years with any other organizations where the candidate holds significant concurrent positions and there is no special interest between them and the Company.

5. Mr. Fujita has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
6. Mr. Fujita does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
7. Mr. Fujita is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
8. Mr. Fujita has no special opinion about the above description of his career summary, etc.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
5	 <p>Mariko Kitagawa April 3, 1965 (58 years old)</p> <p>Reelection</p> <p>Candidate for External Board Director Independent officer</p> <p>Tenure as External Board Director 6 years</p> <p>Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p>May 1999 Joined Tsukishima Soko Co., Ltd. July 2000 General Manager of IT Department June 2001 Board Director of Simax Co., Ltd. (current position) June 2002 Board Director of Tsukishima Soko Co., Ltd. Apr. 2003 Board Director, Deputy Director of Sales Division June 2004 Representative Director and President (current position) June 2007 Board Director of Tsukishima Butsuryu Service Co., Ltd (current position) June 2017 External Board Director of the Company (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company Representative Director and President of Tsukishima Soko Co., Ltd. Board Director of Tsukishima Butsuryu Service Co., Ltd Board Director of Simax Co., Ltd.</p>	0 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company). Reasons for nomination as candidate for External Board Director and outline of expected roles The candidate has been engaged in management of enterprises involved in the businesses other than construction, which is the Company's key business area. Within the Company, she has brought more transparency in the Company's operations and contributed towards bolstering corporate governance, such as providing a variety of suggestions as an External Board Director based on her experience. Therefore, the Company has continuously nominated her as a candidate for External Board Director because it judges that she will continue to appropriately execute her duties such as supervision of the Company's management. After her appointment, the Company expects her to supervise the management from an objective standpoint independent of the business execution as an External Board Director of the Company, by utilizing experience and insight that she has cultivated so far, especially in the fields of "Corporate Management / Management Strategy," "Sales / Marketing," and "Human Capital." Moreover, the Company will continue to appoint her as a member of the Governance Advisory Committee.</p>			

- Notes:
- Ms. Kitagawa is a candidate for External Board Director.
  - Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Kitagawa to limit her liabilities for damage under Article 423, paragraph 1 of the Companies Act. Pursuant to the Articles of Incorporation of the Company, the Company limits her liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act. If the reelection of Ms. Kitagawa is approved, the Company plans to renew the agreement with her.
  - The Company judges that Ms. Kitagawa's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Ms. Kitagawa and general shareholders. If the election of Ms. Kitagawa is approved, the Company plans to reappoint her as an independent officer and notify TSE of such reappointment.
  - Significant concurrent positions held at other organizations and the relationships between these organizations and the Company  
The Company has business relationship with Tsukishima Soko Co., Ltd., such as contract construction. Sales from Tsukishima Soko Co., Ltd. for the last three years showed no transactions during FYE March 31, 2021, accounted for less than 0.1% of the consolidated net sales of the Company for FYE March 31, 2022, and showed no transactions during FYE March 31, 2023; the impact of Tsukishima Soko Co., Ltd. on the Company is minimal. In addition, Tsukishima Soko Co., Ltd. has business relationship with the Company such as conclusion of a lease agreement. Lease income from the Company for the last three years accounted for about 0.2% of the consolidated net sales of the Company for FYE March 31, 2021, about 0.3% of the consolidated net sales of the Company for FYE March 31, 2022, and about 0.2% of the consolidated net sales of the Company for FYE March 31, 2023. The impact of Tsukishima Soko Co., Ltd. on the Company is minimal. Since there is no other business relationship during the last three years, the Company judges that there is no special interest between Tsukishima Soko Co., Ltd. and the Company.

The Company has had no business relationship for the last three years with any other organizations where the candidate holds significant concurrent positions and there is no special interest between them and the Company.

5. Ms. Kitagawa has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
6. Ms. Kitagawa does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
7. Ms. Kitagawa is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
8. Ms. Kitagawa has no special opinion about the above description of her career summary, etc.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
6	 <p>Mieko Kuwayama March 30, 1948 (75 years old)</p> <p>Reelection</p> <p>Candidate for External Board Director Independent officer</p> <p>Tenure as External Board Director 5 years</p> <p>Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p>Apr. 1970 Joined Shiseido Company, Limited</p> <p>Apr. 2004 General Manager of CSR Department (retired from Shiseido Company, Limited in June 2007)</p> <p>Apr. 2008 Part-time Lecturer of Faculty of Economics at Komazawa University (resigned in March 2018)</p> <p>Apr. 2009 Chief Researcher of Business Ethics Research Center</p> <p>June 2012 Specially Appointed Professor of Graduate School of Law at Hitotsubashi University (resigned in March 2015)</p> <p>Apr. 2015 Visiting Researcher of Hitotsubashi CFO Research Center (current position)</p> <p>Apr. 2015 Visiting Researcher of Mission Management Research Institute at Meiji University (resigned in March 2019)</p> <p>June 2017 External Board Director of FUJITSU GENERAL LIMITED (current position)</p> <p>Apr. 2018 Senior Researcher of Business Ethics Research Center (current position)</p> <p>June 2018 External Board Director of the Company (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company Senior Researcher of Business Ethics Research Center Visiting Researcher of Hitotsubashi CFO Research Center External Board Director of FUJITSU GENERAL LIMITED</p>	3,400 shares
<p>Relationship of special interest between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p>Reasons for nomination as candidate for External Board Director and outline of expected roles</p> <p>The candidate has been involved in the research on corporate management, and possesses expertise as well as extensive business experience gained in other enterprises and experience and insight as an External Board Director. Within the Company, she has brought more transparency in the Company's operations and contributed towards bolstering corporate governance, such as providing a variety of suggestions as an External Board Director based on her experience. Therefore, the Company has continuously nominated her as a candidate for External Board Director because it judges that she will continue to appropriately execute her duties such as supervision of the Company's management.</p> <p>After her appointment, the Company expects her to supervise the management from an objective standpoint independent of the business execution as an External Board Director of the Company, by utilizing experience and insight that she has cultivated so far, especially in the fields of "Sales / Marketing," "Risk Management / Compliance," and "Human Capital." Moreover, the Company will continue to appoint her as a member of the Governance Advisory Committee.</p>			

- Notes:
- Ms. Kuwayama is a candidate for External Board Director.
  - Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Kuwayama to limit her liabilities for damage under Article 423, paragraph 1 of the Companies Act. Pursuant to the Articles of Incorporation of the Company, the Company limits her liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act. If the reelection of Ms. Kuwayama is approved, the Company plans to renew the agreement with her.
  - The Company judges that Ms. Kuwayama's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Ms. Kuwayama and general shareholders. If the reelection of Ms. Kuwayama is approved, the Company plans to reappoint her as an independent officer and notify TSE of such reappointment.
  - Significant concurrent positions held at other organizations and the relationships between these organizations and the Company  
FUJITSU GENERAL LIMITED holds less than 0.01% of the total number of shares issued by the Company as of March 2023. The Company has less than 0.15% of the total number of shares issued by FUJITSU GENERAL LIMITED as of March 2023. The Company has business relationship with FUJITSU GENERAL LIMITED including contract construction. Sales from FUJITSU GENERAL LIMITED for the last three years are less than 0.1% of consolidated net sales of the Company; the impact of FUJITSU GENERAL LIMITED on the Company is minimal. In addition, FUJITSU GENERAL LIMITED has business relationship with the Company such as equipment rental. Sales from the Company for the last three years accounted for less than 0.1% of the net sales of FUJITSU GENERAL LIMITED; the impact of the Company on FUJITSU GENERAL LIMITED is minimal. There is no other business relationship for the last three years between FUJITSU GENERAL LIMITED and the Company, and the Company judges that there is no special interest between them. The Company has had no business relationship for the last three years with any other organizations where the candidate holds significant concurrent positions and there is no special interest between them and the Company.



5. Ms. Kuwayama has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
6. Ms. Kuwayama does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
7. Ms. Kuwayama is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
8. Ms. Kuwayama has no special opinion about the above description of her career summary, etc.

**Proposal No. 4** Election of Four (4) Board Directors Serving as Audit and Supervisory Committee Members

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with the Audit and Supervisory Committee. Therefore, the Company proposes the election of four Board Directors serving as Audit and Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

This proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.


The candidates for Board Director serving as Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Current position in the Company	Tenure (At the end of this meeting)	Attendance at Board meetings	Remarks
1	Shinya Miyamori	Board Director	6 years	100% (16 of 16 meetings)	New candidate
2	Harufumi Mochizuki	–	–	–	New candidate External Board Director Independent officer
3	Rie Kawaguchi	External Board Director	1 year	100% (13 of 13 meetings)	New candidate External Board Director Independent officer
4	Katsuhiko Ito	Substitute Audit & Supervisory Board Member	–	–	New candidate External Board Director Independent officer

Notes: 1. Ms. Rie Kawaguchi’s attendance at Board meetings only covers meetings held after her appointment as Board Director at the Annual General Meeting of Shareholders for the FYE March 31, 2022 held on June 29, 2022.


2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act, and this insurance contract is intended to cover the legal damages and litigation expenses that would be borne by the insured parties. If each candidate is appointed as Board Director, he or she will be included as an insured under the insurance policy. Furthermore, the Company plans to renew the insurance contract with the same contents at the next renewal.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	 <p data-bbox="288 573 587 633">Shinya Miyamori March 26, 1959 (64 years old)</p> <p data-bbox="363 663 512 689">New candidate</p> <p data-bbox="312 719 563 779">Tenure as Board Director 6 years</p> <p data-bbox="284 808 592 925">Attendance at Board meetings during the FYE March 31, 2023 16 of 16 meetings (Attendance rate: 100%)</p>	<p data-bbox="614 259 1102 286">Apr. 1983 Joined HAZAMA CORPORATION</p> <p data-bbox="614 297 1134 383">Oct. 2003 Accounting Manager of Administration Department of AOYAMA KANZAI CORPORATION</p> <p data-bbox="614 394 1169 479">Aug. 2006 General Manager of Administration Department, Shikoku Branch of HAZAMA CORPORATION</p> <p data-bbox="614 490 1098 551">Oct. 2007 General Manager of Administration Department, Tohoku Branch</p> <p data-bbox="614 562 1206 645">July 2009 Deputy General Manager of Finance Department, Business Administration Planning Division</p> <p data-bbox="614 656 1169 716">Oct. 2009 General Manager of Finance Department, Business Administration Planning Division</p> <p data-bbox="614 728 1153 788">Apr. 2013 General Manager of Finance Department, Administration Division of the Company</p> <p data-bbox="614 799 1217 882">Jan. 2016 Deputy Director of Administration Division and General Manager of Finance Department, Administration Division</p> <p data-bbox="614 893 1193 954">Apr. 2016 Executive Officer, Director of Administration Division in charge of Disaster Management</p> <p data-bbox="614 965 1209 1048">June 2017 Board Director and Executive Officer, Director of Administration Division and in charge of Disaster Management</p> <p data-bbox="614 1059 1182 1142">Apr. 2018 Board Director and Managing Executive Officer, Director of Administration Division and in charge of Disaster Management</p> <p data-bbox="614 1153 1233 1270">Apr. 2022 Board Director and Senior Managing Executive Officer, in charge of Finance, Director of Administration Division and in charge of Disaster Management</p> <p data-bbox="614 1281 1070 1341">Apr. 2023 Board Director (current position) (up to the present)</p> <p data-bbox="614 1352 1137 1413">Significant concurrent positions outside the Company None</p>	1,900 shares
<p data-bbox="284 1424 978 1451">Relationship of special interest between the candidate and the Company</p> <p data-bbox="284 1453 1441 1480">There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p data-bbox="284 1482 823 1509">Reasons for nomination as candidate for Board Director</p> <p data-bbox="284 1512 1441 1594">The candidate possesses extensive experience and knowledge obtained through engagement in the financial divisions over many years. He has been engaged in decision making of important matters in management and in supervision of business execution as well as in overseeing company-wide area of administration.</p> <p data-bbox="284 1597 1441 1740">The Company believes that he will audit and supervise the Company from an objective standpoint independent from the execution of business operations as Board Director serving as Audit and Supervisory Committee Member of the Company by utilizing experience and insight that he has cultivated so far, especially in the fields of “Finance / Accounting” and “Risk Management / Compliance,” and has therefore nominated him as a candidate for Board Director serving as Audit and Supervisory Committee Member.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
2	 <p>Harufumi Mochizuki July 26, 1949 (73 years old)</p> <p>New candidate External Board Director Independent officer</p>	<p>Apr. 1973 Joined Ministry of International Trade and Industry</p> <p>July 2002 Director-General for Commerce and Distribution Policy, Ministry of Economy, Trade and Industry</p> <p>July 2003 Director-General, Small and Medium Enterprise Agency</p> <p>July 2006 Director-General, Agency for Natural Resources and Energy</p> <p>July 2008 Vice-Minister of Economy, Trade and Industry</p> <p>July 2010 Retired from Ministry of Economy, Trade and Industry</p> <p>Aug. 2010 Special Advisor to the Cabinet (resigned in September 2011)</p> <p>Oct. 2010 Special Adviser to Nippon Life Insurance Company (resigned in April 2013)</p> <p>June 2012 Outside Board Director, Hitachi Ltd. (resigned in June 2022)</p> <p>June 2013 President &amp; CEO, Tokyo Small and Medium Business Investment &amp; Consultation CO., LTD. (scheduled to resign in June 2023)</p> <p>June 2014 Corporate Auditor, ITOCHU Corporation (resigned in June 2017)</p> <p>June 2017 Outside Director (resigned in June 2021) (up to the present)</p> <p>Significant concurrent positions outside the Company Outside Director, NEC Corporation (scheduled to take office in June 2023)</p>	0 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company). Reasons for nomination as candidate for External Board Director and outline of expected roles The candidate has held key positions at administrative organs and possesses extensive knowledge and insight in the field of public administration and other areas, as well as experience as a corporate manager and expertise as an outside director and outside corporate auditor for other companies. The Company believes that he will contribute to fair and impartial decision making in our business activities and to enhancement of the supervisory function of management, and has therefore nominated him as a candidate for External Board Director serving as Audit and Supervisory Committee Member. After his appointment, the Company expects him to audit and supervise the management from an objective standpoint independent of the execution of business as an External Board Director serving as Audit and Supervisory Committee Member of the Company, by utilizing experience and insight that he has cultivated so far, especially in the fields of "Corporate Management / Management Strategy," "Environmental Strategy," "Finance / Accounting" and "Risk Management / Compliance."</p>			

- Notes:
- Mr. Mochizuki is a candidate for External Board Director.
  - If the election of Mr. Mochizuki is approved, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company will enter into an agreement with Mr. Mochizuki to limit his liabilities for damage under Article 423, paragraph 1 of the Companies Act. Pursuant to the Articles of Incorporation of the Company, the Company limits his liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act.
  - The Company judges that Mr. Mochizuki's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Mr. Mochizuki and general shareholders. If the election of Mr. Mochizuki is approved, the Company plans to appoint him as an independent officer and notify TSE of such appointment.
  - Significant concurrent positions held at other organizations and the relationships between these organizations and the Company  
The Company has business relationship with NEC Corporation, such as contract construction. Sales from NEC Corporation for the last three years accounted for less than 0.1% of the consolidated net sales of the Company for FYE March 31, 2021, showed no transactions during FYE March 31, 2022 and FYE March 31, 2023; the impact of NEC Corporation on the Company is minimal. In addition, NEC Corporation has business relationship with the Company such as delivery of business systems. Sales income from the Company has been less than 0.1% of the net sales of NEC Corporation for the last three years. The impact of the Company on NEC Corporation is minimal. Since there is no other business relationship during the last three years, the Company judges that there is no special interest between NEC Corporation and the Company.

5. Mr. Mochizuki has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
6. Mr. Mochizuki does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
7. Mr. Mochizuki is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
8. Mr. Mochizuki has no special opinion about the above description of his career summary, etc.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
3	 <p>Rie Kawaguchi April 10, 1965 (58 years old)</p> <p>New candidate External Board Director Independent officer</p> <p>Tenure as Board Director 1 year</p> <p>Attendance at Board meetings during the FYE March 31, 2023 13 of 13 meetings (Attendance rate: 100%)</p>	<p>Apr. 1990 Joined Murata Morihiro Accounting Office (currently Ernst &amp; Young Tax Co.) (left in September 1992)</p> <p>Sep. 1995 Joined Global Online Japan Co., Ltd. (left in March 2000)</p> <p>Apr. 1996 Registered as a tax accountant</p> <p>Aug. 1996 Board Director, Fukuoka M&amp;A Center Co., Ltd. (current position)</p> <p>Sep. 2001 Joined KVH Co., Ltd. (currently Colt Technology Services Co., Ltd.) (left in May 2004)</p> <p>Feb. 2003 Passed USCPA exam</p> <p>May 2004 Board Director, Chikura Shobo Co., Ltd. (current position)</p> <p>Apr. 2015 Member of Kawaguchi Tax Accountant Office (current position)</p> <p>June 2022 External Board Director of the Company (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company</p> <p>Board Director, Chikura Shobo Co., Ltd. Board Director, Fukuoka M&amp;A Center Co., Ltd. Member of Kawaguchi Tax Accountant Office</p>	400 shares
<p>Relationship of special interest between the candidate and the Company</p> <p>There is no special interest between the candidate and the Company (or any other officers or candidates of the Company).</p> <p>Reasons for nomination as candidate for External Board Director and outline of expected roles</p> <p>The candidate has been engaged in management of enterprises involved in the business other than construction, which is the Company's key business area, and possesses extensive knowledge and insight as well as expertise and experience as a tax accountant. The Company believes that she will contribute to fair and impartial decision making in our business activities and to enhancement of the supervisory function of management, and has therefore nominated her as a candidate for External Board Director serving as Audit and Supervisory Committee Member.</p> <p>After her appointment, the Company expects her to audit and supervise the management from an objective standpoint independent of the execution of business as an External Board Director serving as Audit and Supervisory Committee Member of the Company, by utilizing experience and insight that she has cultivated so far, especially in the fields of "Finance / Accounting" and "Human Capital."</p>			

- Notes:
- Ms. Kawaguchi is a candidate for External Board Director.
  - If the election of Ms. Kawaguchi is approved, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company will enter into an agreement with Ms. Kawaguchi to limit her liabilities for damage under Article 423, paragraph 1 of the Companies Act. Pursuant to the Articles of Incorporation of the Company, the Company limits her liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act.
  - The Company judges that Ms. Kawaguchi's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Ms. Kawaguchi and general shareholders. If the election of Ms. Kawaguchi is approved, the Company plans to appoint her as an independent officer and notify TSE of such appointment.
  - Significant concurrent positions held at other organizations and the relationships between these organizations and the Company  
The Company has had no business relationship for the last three years with any organizations where the candidate holds significant concurrent positions, and there is no special interest between them and the Company.
  - Ms. Kawaguchi has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
  - Ms. Kawaguchi does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
  - Ms. Kawaguchi is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
  - Ms. Kawaguchi has no special opinion about the above description of her career summary, etc.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
4	 <p>Katsuhiko Ito July 2, 1972 (50 years old)</p> <p>New candidate External Board Director Independent officer</p>	<p>Oct. 2000 Registered as an attorney at law and became a member of Tokyo Bar Association</p> <p>Oct. 2000 Joined Takahashi Tetsu Law Office (left in June 2003)</p> <p>June 2001 Audit &amp; Supervisory Board Member of Nihon Itomic Co., Ltd. (current position)</p> <p>July 2003 Partner, Kasumigaseki Partners Law Office (left in November 2020)</p> <p>Apr. 2008 Member of Committee on Administration of Legal Training Center, the Tokyo Bar Association (current position)</p> <p>July 2008 Auditor, Nippon Taiko Foundation</p> <p>Jan. 2011 Judicial Commissioner, Tokyo Summary Court (current position)</p> <p>Apr. 2012 Vice-chairperson, Committee on Administration of Legal Training Center, the Tokyo Bar Association</p> <p>June 2020 Auditor, Nippon Taiko Foundation (current position)</p> <p>Dec. 2020 Partner, ITN Partners (current position)</p> <p>Mar. 2021 Outside Director (Audit and Supervisory Committee Member), ZOOM CORPORATION (current position)</p> <p>June 2022 Substitute Audit &amp; Supervisory Board Member (current position) (up to the present)</p> <p>Significant concurrent positions outside the Company Partner, ITN Partners Audit &amp; Supervisory Board Member, Nihon Itomic Co., Ltd. Outside Director (Audit and Supervisory Committee Member), ZOOM CORPORATION</p>	0 shares
<p>Relationship of special interest between the candidate and the Company There is no special interest between the candidate and the Company (or any other officers or candidates of the Company). Reasons for nomination as candidate for External Board Director and outline of expected roles The candidate possesses expertise and abundant experience as an attorney at law as well as insight of audit as an auditor or audit and supervisory committee member of other enterprises. The Company believes that he will contribute to fair and impartial decision making in our business activities and to enhancement of the supervisory function of management, and has therefore nominated him as a candidate for External Board Director serving as Audit and Supervisory Committee Member. After his appointment, the Company expects him to audit and supervise the management from an objective standpoint independent of the execution of business as an External Board Director serving as Audit and Supervisory Committee Member of the Company, by utilizing experience and insight that he has cultivated so far, especially in the fields of "Risk Management / Compliance."</p>			

- Notes:
1. Mr. Ito is a candidate for External Board Director.
  2. If the election of Mr. Ito is approved, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company will enter into an agreement with Mr. Ito to limit his liabilities for damage under Article 423, paragraph 1 of the Companies Act. Pursuant to the Articles of Incorporation of the Company, the Company limits his liability for damages to the minimum liability amount provided in Article 425, paragraph 1 of the Companies Act.
  3. The Company judges that Mr. Ito's independence is maintained based on the independence criteria provided for by "Guidelines for Listing III 5. (3)-2" of the Tokyo Stock Exchange (TSE), and there is no possibility that conflict of interest may occur between Mr. Ito and general shareholders. If the election of Mr. Ito is approved, the Company plans to appoint him as an independent officer and notify TSE of such appointment.
  4. Significant concurrent positions held at other organizations and the relationships between these organizations and the Company  
Nihon Itomic Co., Ltd. has business relationship with the Company such as equipment rental. Sales income from the Company has been less than 0.1% of the net sales of Nihon Itomic Co., Ltd. for the last three years. The impact of the Company on Nihon Itomic Co., Ltd. is minimal. Since there is no other business relationship during the last three years, the Company judges that there is no special interest between Nihon Itomic Co., Ltd. and the Company. The Company has had no business relationship for the last three years with any other organizations where the candidate holds significant concurrent positions and there is no special interest between them and the Company.

5. Mr. Ito has never served as an officer or a business executive of the Company or a specified affiliated business operator for the Company.
6. Mr. Ito does not plan to receive a large amount of cash or other property from the Company or a specified affiliated business operator for the Company, and has never received such payment for the last two years.
7. Mr. Ito is not a spouse, relative within the third degree of consanguinity or of similar status of a business executive of the Company or a business operator that has specific relations with the Company.
8. Mr. Ito has no special opinion about the above description of his career summary, etc.



**(Reference)**

Knowledge, Experience, and Abilities Especially Expected for Board Directors after the Approval of Proposal No. 3 and Proposal No.4 (Skill Matrix)

Name	Corporate Management / Management Strategy	Sales / Marketing	Safety / Quality Control	Environmental Strategy	Technology Development / DX Strategy	Finance / Accounting	Risk Management / Compliance	Human Capital
Kazuhiko Kuniya	●			●	●			●
Ichiro Kato			●	●	●			
Takeshi Komatsu		●	●	●				
Masami Fujita	●						●	●
Mariko Kitagawa	●	●						●
Mieko Kuwayama		●					●	●
Shinya Miyamori (Audit and Supervisory Committee Member)						●	●	
Harufumi Mochizuki (Audit and Supervisory Committee Member)	●			●		●	●	
Rie Kawaguchi (Audit and Supervisory Committee Member)						●		●
Katsuhiko Ito (Audit and Supervisory Committee Member)							●	

(Note) The above table shows the knowledge, experience, and abilities especially expected for Board Directors and does not represent all the knowledge, etc. possessed by the candidates.

To achieve the long-term HAZAMA ANDO VISION2030 by realizing Four Value Creation — “Create customer value,” “Create shareholder value,” “Create environmental value,” and “Create employee value” — laid out in the vision, the Board of Directors has defined important areas of the Skill Matrix in the Board of Directors including “Corporate Management / Management Strategy,” “Sales / Marketing,” “Safety / Quality Control,” “Environmental Strategy,” “Technology Development / DX Strategy,” “Finance / Accounting,” “Risk Management / Compliance,” and “Human Capital.”

The Governance Advisory Committee deliberates on proposals to be presented to the Board of Directors, reports to the Board of Directors, and the Board of Directors deliberates and decides on the nomination of Board Director candidates. The Governance Advisory Committee selects candidates who are capable of making accurate and prompt decisions by balancing knowledge, experience, and ability in the skills matrix, who are highly compliance-conscious, and who are personally respected.

In appointing candidates for Board Directors serving as Audit and Supervisory Committee Members, the Company hears the opinions of and obtains the consent of the Audit & Supervisory Board.

[Definition of each skill]

The important areas specified to achieve the long-term HAZAMA ANDO VISION2030 by realizing Four Value Creation — “Create customer value,” “Create shareholder value,” “Create environmental value,” and “Create employee value” — laid out in the VISION.

Skills	Relevance to VISION2030	Definition
Corporate Management / Management Strategy	—	Skills to contribute to sustainable growth of the Company aiming to realize Four Value Creation by utilizing experience, etc. in corporate management and important corporate decision making, as well as experience, etc. in establishment of corporate strategies.
Sales / Marketing	Customer value Shareholder value	Skills to contribute to improvement of Customer value and Shareholder value by identifying trends and needs in the market and providing customers with best-suited solutions.
Safety / Quality Control	Customer value Employee value	Skills to contribute to Customer value and Employee value by securing safety in business activities and providing construction and services with high quality.
Environmental Strategy	Environmental value	Skills to contribute to improvement of Environmental value by sustainable management through decarbonization of business activities and participating in renewable energy projects.
Technology Development / DX Strategy	Customer value Environmental value	Skills to contribute to improvement of Customer value and Environmental value through revolution of construction production systems by proactive technology development and DX strategy deployment.
Finance / Accounting	Shareholder value	Skills to contribute to improvement of Shareholder value by enhancement of financial strength and effective utilization of shareholders’ equity.
Risk Management / Compliance	Shareholder value	Skills to contribute to improvement of Shareholder value by stabilizing corporate management through appropriate risk management and building trust relationship with society through full enforcement of compliance.
Human Capital	Employee value	Skills to contribute to improvement of Employee value by employees’ career development, workstyle reform, and securing and improving diversity aiming to create environment in which employees can have high integrity and feel job satisfaction.

<Policies and procedures for nomination as candidates for Board Director>

The Board of Directors of the Company consists of internal Directors who are familiar with the key business areas of the Company, specifically, civil engineering, building and administrative matters, and have adequate knowledge, experience and capabilities as required and external independent Directors who have been engaged in management in other organizations over many years with extensive experience and discernment. If Proposal No. 2 is approved as originally proposed, the number of Board Directors (excluding Directors serving as Audit and Supervisory Committee Members) shall not exceed 12 and the number of Directors serving as Audit and Supervisory Committee Members shall not exceed five. A balance of knowledge, experience, and capabilities as well as diversity and scope are taken into account so that the Board of Directors as a whole can contribute to the sustainable growth and the increase of corporate value.

The nomination of candidates for Board Director is conducted by convening the Governance Advisory Committee, a body chaired by an independent External Board Director where a majority of the members are independent External Board Directors. A selection of potential candidates is deliberated based on such factors as ability to make proper and prompt decisions with well-balanced knowledge, experience and capabilities, high awareness of compliance, and personality to be a respectable person. The potential candidates are deliberated to be presented to the Board of Directors, at which they are further deliberated and determined.

Candidates for Board Director serving as Audit & Supervisory Board Member are selected from among those who have a high awareness of compliance and a certain level of expertise in management, finance, accounting, taxation, legal affairs, etc., and who are capable of appropriately auditing the execution of duties by Board Directors and supervising the execution of business operations, and the opinions of the Audit & Supervisory Board are heard and their consent is obtained.

<Policy on independence of External Board Directors>

The Company’s policy is to elect External Board Directors who can fulfill their duties independently and objectively and have no conflict of interest with shareholders. Independence of the External Board Directors is judged in accordance with the Companies Act and the independence criteria provided by the Tokyo Stock Exchange.

**Proposal No. 5** Establishment of the Amount of Compensation, etc., for Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)

To date, the maximum amount of compensation for Board Directors of the Company has been no more than ¥25 million per month as approved at the Annual General Meeting of Shareholders for the FYE March 31, 2014 held on June 27, 2014. If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with the Audit and Supervisory Committee. Accordingly, the Company proposes to abolish the above and newly establish the annual amount of compensation for Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) as no more than ¥600 million (including no more than ¥130 million for External Board Directors). Additionally, the amount of compensation for Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) continues to exclude the employee salary of Board Directors who concurrently serve as employees.

Furthermore, the Company shall resolve to make an amendment to the “Policy for Determining the Contents of Individual Compensation, etc. for Board Directors” at the Board of Directors meeting held on May 12, 2023, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” this proposal and Proposal No. 7 “Partial Amendment to Amount and Contents of Performance-Linked Stock Compensation for Board Directors, etc. (Excluding Board Directors Serving as Audit and Supervisory Committee Members)” are approved as originally proposed, and an outline of the resolution is provided on pages 34 to 35 below. This proposal is necessary and reasonable to determine the compensation, etc. for Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) in accordance with the said policy. The proposal has been deliberated by the Governance Advisory Committee, a body chaired by an External Board Director where a majority of the members are External Board Directors. Based on the above, the Company has determined that this proposal is appropriate.

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Six (6) Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)” are approved as originally proposed, the number of Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) will be six (6) (including three (3) External Directors).

This proposal shall become effective on the condition that the amendment to the Articles of Incorporation in Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

**Proposal No. 6** Establishment of the Amount of Compensation, etc., for Board Directors Serving as Audit and Supervisory Committee Members

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with the Audit and Supervisory Committee.

Therefore, to ensure the level of compensation appropriate to the responsibilities of Board Directors serving as Audit and Supervisory Committee Members, we propose that the amount of compensation for Board Directors serving as Audit and Supervisory Committee Members shall be no more than ¥170 million per year.

This proposal takes into consideration the recent economic situation, the Company’s business scale, the future composition of the Board of Directors, the responsibilities of Board Directors serving as Audit and Supervisory Committee Members, and other various factors. The Company believes that this proposal is appropriate since it has been deliberated by the Governance Advisory Committee, a body chaired by an External Board Director where a majority of the members are External Board Directors.

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 4 “Election of Four (4) Board Directors Serving as Audit and Supervisory Committee Members” are approved as originally proposed, the number of Board Directors serving as Audit and Supervisory Committee Members will be four (4).

This proposal shall become effective on the condition that the amendment to the Articles of Incorporation in Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

**Proposal No. 7** Partial Amendment to Amount and Contents of Performance-Linked Stock Compensation for Board Directors, etc. (Excluding Board Directors Serving as Audit and Supervisory Committee Members)

**1. Reasons for the Proposal and Reasons for Considering the Partial Amendment as Appropriate**

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with the Audit and Supervisory Committee.

Accordingly, the Company requests approval of this proposal to replace the performance-linked stock compensation plan for Board Directors and Executive Officers of the Company with a performance-linked stock compensation plan for Board Directors and Executive Officers of the Company (excluding Board Directors serving as Audit and Supervisory Committee Members, External Board Directors and non-residents of Japan, hereinafter collectively referred to as the “Board Directors, etc.”) (hereinafter, the “Plan”). The Company also requests approval of the partial amendment to the contents of the Plan to further enhance corporate value under the new institutional design.

Specifically, the Company proposes that, in addition to the maximum amount of compensation for which approval is requested by Proposal No. 5 “Establishment of the Amount of Compensation, etc., for Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members),” stock compensation be paid to Board Directors, etc. as described in “3. Contents of the Plan after Amendment.”

This proposal shall become effective on the condition that the amendment to the Articles of Incorporation in Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

The purpose of the amendment of the Plan is to create more linkage between the compensation for Board Directors, etc. and the Company’s business performance as well as its future vision, and to further enhance their awareness of contribution to the improvement of the Company’s business performance and increase in corporate value over the medium to long term by promoting the exercise of leadership by Board Directors, etc., aiming to realize Four Value Creation (creation of customer value, shareholder value, environmental value, and employee value) set forth in the Company’s long-term vision “HAZAMA ANDO VISION2030” and the “Enhancing Business Growth, Increasing of the Value of Human Capital, and Promoting ESG Management” set forth as tasks to be addressed in the Company’s Medium-Term Management Plan released in May 2023.

Since the stock compensation based on this proposal is necessary and appropriate to achieve such goals and has been deliberated by the Governance Advisory Committee, a body chaired by an External Board Director where a majority of the members are External Board Directors, the Company believes that the amendment to the Plan is appropriate. At the Board of Directors meeting held on May 12, 2023, an amendment to the “Policy for Determining the Contents of Individual Compensation, etc. for Board Directors” based on the details of the amendment to the Plan was resolved, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” Proposal No. 5 “Establishment of the Amount of Compensation, etc., for Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members),” and this proposal are approved as originally proposed, and an outline of the resolution is provided at the end of this proposal.

If Proposal No.3 “Election of Six (6) Board Directors (Excluding Board Directors Serving as Audit and Supervisory Committee Members)” is approved as originally proposed, the number of Board Directors subject to the Plan will be three (3), excluding External Board Directors. The Plan also covers Executive Officers who do not concurrently serve as Board Director (excluding Board Directors serving as Audit and Supervisory Committee Members) (28 persons), and a total of 31 persons will be subject to the Plan. Although compensation under the Plan includes compensation for Executive Officers, this proposal proposes to revise the amount and contents of the overall compensation under the Plan, taking into account the possibility that these Executive Officers (or those who later become Executive Officers) may be newly appointed as Board Director (excluding Board Directors serving as Audit and Supervisory Committee Members) during the eligible period of the Plan.

## 2. Details of Major Amendments to the Plan

### (1) Eligible persons of the Plan

Before Amendment	After Amendment
Board Directors and Executive Officers (excluding External Board Directors and non-residents of Japan) of the Company	Board Directors and Executive Officers (excluding Board Directors serving as Audit and Supervisory Committee Members, External Board Directors, and non-residents of Japan) of the Company

(Reasons for the amendment of this item)

In accordance with the Company's transition to a company with the Audit and Supervisory Committee, the Plan, which covers Board Directors and Executive Officers (excluding External Board Directors and non-residents of Japan) of the Company, shall be reestablished as a plan that covers Board Directors and Executive Officers (excluding Board Directors serving as Audit and Supervisory Committee Members, External Board Directors, and non-residents of Japan) of the Company. Since the Plan is a performance-based stock compensation plan, External Board Directors and Board Directors serving as Audit and Supervisory Committee Members, who are responsible for supervisory functions, are excluded from the Plan, in consideration of their responsibilities as such.

### (2) Maximum amount of money to be contributed by the Company

Before Amendment	After Amendment
A total of ¥645 million during three fiscal years However, for the Initial Eligible Period after Amendment, a total of ¥430 million including the amount of the Residual Shares, etc. before Amendment (defined in 3 (2) below) during two fiscal years	A total of ¥1,500 million during three fiscal years

(Reasons for the amendment of this item)

The Company proposes to amend the maximum amount of money to be contributed by the Company under the Plan in order to make the compensation for Board Directors, etc. at a level that has competitive power in the market and to further increase the ratio of stock-based compensation as a medium- to long-term incentive, thereby raising awareness of their contribution to improving business performance and increasing corporate value over the medium to long term more than ever.

### (3) Maximum number of the Company's shares to be acquired by Board Directors, etc.

Before Amendment	After Amendment
A total of 1.05 million shares during three fiscal years (0.35 million shares per fiscal year) However, for the Initial Eligible Period after Amendment, a total of 0.70 million shares during two fiscal years (0.35 million shares per fiscal year)	A total of 1.80 million shares during three fiscal years (0.60 million shares per fiscal year)

(Reasons for the amendment of this item)

In line with the amendment of the maximum amount of money to be contributed by the Company under the Plan, the Company will also amend the maximum number of shares to be provided to Board Directors, etc. in consideration of the most recent stock price trends and other factors.

The ratio of the number of shares corresponding to the maximum number of the Company's shares to be provided to Board Directors, etc. during three fiscal years to the total number of the Company's issued shares (as of March 31, 2023, after deduction of treasury stock) will be 1.1% (0.4% per fiscal year).

#### (4) Details of conditions regarding performance results achievement

Before Amendment	After Amendment
<p>The conditions vary according to the degree of achievement of the target values of the following indicators for each fiscal year:</p> <ul style="list-style-type: none"><li>Financial indicators: Indicators determined with reference to the performance indicators set forth in the Company's Medium-Term Management Plan (consolidated net sales, consolidated ordinary profit, consolidated return on equity, etc.)</li><li>Shareholder value indicators: Indicators that promote sharing of interests with the shareholders, such as total shareholder return</li><li>Non-financial indicators: Indicators for fulfilling our social responsibilities and creating value for customers and employees set forth in the Company's Medium-Term Management Plan, such as reduction in the frequency rate (the number of fatalities and injuries due to occupational accidents resulting in four or more days of lost work per million total actual working hours)</li></ul>	<p>The conditions vary according to the degree of achievement of the target values of the following indicators for each fiscal year:</p> <ul style="list-style-type: none"><li>Financial indicators: Indicators determined with reference to the performance indicators set forth in the Company's Medium-Term Management Plan (consolidated ordinary profit, consolidated return on equity, etc.)</li><li>Shareholder value indicators: Indicators that promote sharing of interests with the shareholders, such as total shareholder return and total return ratio during the eligible period</li><li>Non-financial indicators: Indicators for fulfilling our social responsibilities and realizing Four Value Creation set forth in our long-term vision, such as the frequency rate (the number of fatalities and injuries due to occupational accidents resulting in four or more days of lost work per million total actual working hours), employee engagement score, and GHG emission reduction rate</li></ul>

#### (Reasons for the amendment of this item)

The Company shall amend the details of conditions regarding performance results achievement in order to create more linkage between the compensation for Board Directors, etc. and the Company's business performance as well as its future vision, and to further enhance their awareness of contribution to the improvement of the Company's business performance and increase in corporate value over the medium to long term by promoting the exercise of leadership by Board Directors, etc. aiming to continue realizing Four Value Creation (creation of customer value, shareholder value, environmental value, and employee value) set forth in the Company's long-term vision "HAZAMA ANDO VISION2030" and the "Enhancing Business Growth, Increasing of the Value of Human Capital, and Promoting ESG Management" set forth as tasks to be addressed in the Company's Medium-Term Management Plan released in May 2023.

### 3. Contents of the Plan after Amendment

#### (1) Outline of the Plan

The Plan is a stock compensation plan under which the Company's shares are acquired through a trust funded by the compensation for Board Directors, etc. contributed by the Company and the Company's shares and an amount of money equivalent to the cash proceeds from the conversion of the Company's shares (hereinafter referred to as "the Company's shares, etc.") are delivered and paid (hereinafter referred to as "delivery, etc.") to Board Directors, etc. through the said trust, in accordance with their positions and the degree of achievement of performance targets, etc. in the respective fiscal years.

Additionally, in principle, delivery, etc. of the Company's shares, etc. to Board Directors, etc. will be made at the time of their retirement.

#### (2) Maximum amount of money to be contributed by the Company

The Plan after amendment covers three fiscal years set by the Company as the period for evaluating the achievement of medium- to long-term performance goals (from the FYE March 31, 2024 to the FYE March 31, 2026), and each of the subsequent three fiscal years if the trust period is extended.

As a result of the amendment of the Plan, the Company will amend the maximum amount of trust money to be contributed as compensation for Board Directors, etc. for each eligible period to a total of ¥1,500 million, and will contribute such trust money as compensation for Board Directors, etc., and establish a trust (hereinafter the "Trust") with a trust period of three years with Board Directors, etc. who satisfy the requirements for beneficiaries as beneficiaries (including the extension of the trust period as described below; the same shall apply hereinafter). The Trust will acquire the Company's shares from the stock market or the Company (disposition of treasury stock) by using the money entrusted to it as the source of funds, as directed by the trust manager. As for the trust currently established under the Plan before the amendment (hereinafter the "Existing Trust"), the Company has already contributed money and acquired

the Company's shares within the upper limit amount of the trust money under the Plan before the amendment, but the Company will utilize the residual Company's shares (excluding those Company's shares corresponding to the points awarded to Board Directors, etc. as such points by the FYE March 31, 2023 that are not yet delivered, etc.) and residual money in the Existing Trust (hereinafter the "Residual Shares, etc. before Amendment") for the Eligible Period after Amendment, and the total amount of the trust money contributed by the additional trust mentioned above and the Residual Shares, etc. before Amendment shall be within the limit of ¥1,500 million.

At the expiration of the trust period of the Trust, by modifying the trust agreement and making additional contributions in the Trust in lieu of setting a new Trust, the Trust may be continued. In such a case, the trust period of the Trust will be extended for three years, and the eligible period will be the three fiscal years after the extension of the trust period. The Company will, for each extended trust period, make additional contributions within the limit of ¥1,500 million in total and continue to grant points to Board Directors, etc. and delivery, etc., of the Company's shares, etc. during the extended trust period. However, in the case that there are residual Company's shares (excluding those Company's shares corresponding to the points awarded to Board Directors, etc. as such points that are not yet delivered, etc.) and money (hereinafter the "Residual Shares, etc.") within the trust assets as of the final day of the trust period prior to the extension when making such additional contributions, a total amount of the Residual Shares, etc. and the additionally contributed trust money shall be within the limit of ¥1,500 million.

Further, if there are Board Directors, etc. in office at the expiration of the trust period who have the possibility of satisfying the requirements for beneficiaries, no points will be granted to such Board Directors, etc. thereafter, but the trust period of the Trust may be extended for a certain period of time until the Company shares, etc. are delivered to the said Board Directors, etc.

(3) Calculation method and maximum amount of the Company's shares, etc. to be acquired by Board Directors, etc.

At a certain time each year during the trust period, points are granted to Board Directors, etc. in accordance with their position and the degree of achievements of the financial indicators (indicators determined with reference to the performance indicators set forth in the Company's Medium-Term Management Plan, such as consolidated ordinary profit and consolidated return on equity), shareholder value indicators (indicators that promote sharing of interests with the shareholders, such as total shareholder return and total return ratio during the eligible period), and non-financial indicators (indicators for fulfilling our social responsibilities and realizing the four value creation goals set forth by the Company, such as the frequency rate [the number of fatalities and injuries due to occupational accidents resulting in four or more days of lost work per million total actual working hours], employee engagement score, GHG emission reduction rate) for the fiscal year ending March 31 of the same year.

At a retirement of each of Board Directors, etc. (or at the time of death if the said Board Director, etc. passes away), cumulative points (hereinafter the "Number of Cumulative Points") will be calculated, and one share of the Company's shares, etc. will be delivered, etc. for each point in the Number of Cumulative Points. However, in the event that the Company's shares undergo a share split or share consolidation, etc. during the trust period, the number of the Company's shares for each point will be adjusted according to the split ratio or consolidation ratio, etc. of the Company's shares.

The total number of the Company's shares to be acquired by the Trust and the Company's shares to be delivered to Board Directors, etc. by the Trust shall be within the limit of 1.80 million shares in total during three fiscal years (0.60 million shares per fiscal year). This maximum number of delivered shares is determined based on the most recent stock price, etc., in consideration of the maximum amount of trust money stated in (2) above.

(4) Method and timing of delivery, etc. of the Company's shares, etc. to Board Directors, etc.

When a Board Director, etc. who satisfies the requirements for beneficiaries retires, the number of the Company's shares, etc. equivalent to the Number of Cumulative Points granted by the time of retirement will be delivered, etc. by following the prescribed procedures for determining beneficiaries.

At this time, the said Board Director, etc. will receive a delivery of the Company's shares for 50% of the Number of Cumulative Points (shares of less than one trading unit will be rounded down), and concerning the remainder, upon conversion within the Trust, the said Board Director, etc. will receive cash equivalent to the amount after being converted from shares to cash.

In case of the passing of a Board Director, etc. in the middle of the trust period, in principle, the heir to the said Board Director, etc. receives the cash equivalent to the Company's shares that corresponds to the Number of Cumulative Points after conversion within the Trust.

In the event of serious inappropriate behavior, such as a dismissal of a Board Director, etc. during their tenure of office due to conduct that constitutes grounds for dismissal, the payment of all or part of stock compensation shall be restricted by a resolution of the Board of Directors after deliberation by the Governance Advisory Committee.



(5) Voting rights for the Company's shares within the Trust

Concerning the Company's shares within the Trust, in order to ensure objectivity in management, voting rights will not be exercised during the trust period.

(6) Other contents of the Plan

Other contents regarding the Plan shall be determined by the Board of Directors each time the Trust is established, the trust agreement is modified, or additional contribution to the Trust is made.

## **Outline of the “Policy for Determining the Contents of Individual Compensation, etc. for Board Directors” (Resolution at the Board of Directors meeting held on May 12, 2023)**

<The contents of this policy will become effective on the condition that the proposal on the amendment to the Articles of Incorporation and each proposal on a compensation system for officers are resolved at the Annual General Meeting of Shareholders for the FYE March 31, 2023, scheduled to be held on June 29, 2023, following the resolution of the Board of Directors meeting held on May 12, 2023.>

### **[Basic policy]**

The compensation for Board Directors and Executive Officers of the Company (excluding Board Directors serving as Audit and Supervisory Committee Members and External Board Directors, hereinafter collectively referred to as the “Board Directors, etc.”) shall consist of cash compensation as the basic compensation and stock compensation as the performance-linked compensation.

With respect to the compensation for individual Board Directors, etc., the basic compensation shall be a fixed monthly amount determined based on the compensation table for each position at an appropriate level that comprehensively takes into account the Company’s business performance, responsibilities, etc. for each fiscal year. As for the performance-linked stock compensation, in order for it to sufficiently function as an incentive for Board Directors, etc. to improve their awareness of their contribution to the improvement of medium- to long-term business performance and enhancement of corporate value, etc., points determined in accordance with the degree of achievements of KPIs determined with reference to the performance indicators set forth in the Medium-Term Management Plan will be granted to the eligible persons at a certain time each year, and the Company’s shares will be delivered at the time of retirement of Board Directors, etc. in proportion to the accumulated points (50% of the performance-linked stock compensation to be delivered in shares at the time of retirement will be delivered in cash after being converted into cash). The ratio of the basic compensation and the performance-linked stock compensation is designated to be approximately 70:30.

The compensation for External Board Directors and Board Directors serving as Audit and Supervisory Committee Members, who are responsible for supervisory functions, shall consist only of cash compensation (fixed compensation), which is the basic compensation.

Each compensation shall be paid within the scope of the total amount of compensation resolved at the General Meeting of Shareholders. The Governance Advisory Committee, a body chaired by an independent External Board Director where a majority of the members are independent External Board Directors, deliberates and decides on the basic compensation table, etc. as well as the assessment method to reflect the Company’s business performance and the evaluation of individual responsible divisions in determining the amount of compensation for Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) and Executive Officers, and reports to the Board of Directors. The Governance Advisory Committee shall conduct a multifaceted examination in advance, including an examination of consistency with the Policy for Determining the Contents of Individual Compensation, etc. for Board Directors, and the Board of Directors shall respect the report of the Governance Advisory Committee and shall make resolutions and decisions after determining that it is in line with the Policy for Determining the Contents of Individual Compensation, etc. for Board Directors.

### **[Resolutions by the Board of Directors and the General Meeting of Shareholders regarding basic compensation and performance-linked stock compensation]**

With respect to the basic compensation for Board Directors, etc., the compensation table for each position and the individual assessment method will be determined at the Board of Directors meeting held prior to the start of the relevant fiscal year.

The basic compensation for Board Directors serving as Audit and Supervisory Committee Members will be determined through deliberation by the Audit and Supervisory Committee Members.

The maximum amount of the basic compensation for Board Directors (excluding Board Directors serving as Audit and Supervisory Committee Members) shall be no more than ¥600 million per year (including ¥130 million for External Directors) (excluding employee salaries), subject to the approval of the resolution at the Annual General Meeting of Shareholders for the FYE March 31, 2023, scheduled to be held on June 29, 2023.

The Board of Directors will decide at a meeting prior to the start of the relevant fiscal year about the benchmark amount, the benchmark point, KPIs, the performance-linked coefficient for each position, and whether to review individual points, etc. for each position in the performance-linked stock compensation for Board Directors, etc.

The introduction of the performance-linked stock compensation plan was resolved at the Annual General Meeting of Shareholders for the FYE March 31, 2016 held on June 29, 2016. In accordance with the transition to a company with

the Audit and Supervisory Committee, the Company plans to reestablish the Plan, subject to the approval of the resolution at the Annual General Meeting of Shareholders for the FYE March 31, 2023, scheduled to be held on June 29, 2023.

#### **[Performance-linked stock compensation plan]**

For the performance-linked stock compensation, the Company will adopt the Board Incentive Plan Trust for officers' compensation (hereinafter the "BIP Trust"), and deliver and grant the Company's shares acquired by the BIP Trust and cash equivalent to the amount after being converted from shares to cash to Board Directors and Executive Officers of the Company (excluding Board Directors serving as Audit and Supervisory Committee Members, External Board Directors and non-residents of Japan, hereinafter collectively referred to as the "Eligible Board Directors, etc.") in accordance with their position and the degree of achievement of performance targets.

Individual points for each position are calculated based on the benchmark point table for each position, which is set by dividing the benchmark amount table for each position, which is set at approximately 30% of total compensation, by the average acquisition price of the Company's shares acquired by the BIP Trust, and the separately specified performance-linked coefficient table, which fluctuates according to the degree of achievement of KPIs.

The main purpose of KPIs is to function as an appropriate incentive for Eligible Board Directors, etc. to achieve our long-term vision and the Medium-Term Management Plan (hereinafter the "Medium-Term Management Plan, etc.") and increase corporate value over the medium to long term by using indicators that are consistent with the Medium-Term Management Plan, etc., and KPIs reflect the contribution to stakeholders such as the shareholders, customers, and employees of the Company in the compensation for Eligible Board Directors, etc. Specifically, the Company will adopt (1) financial indicators determined with reference to the performance indicators set forth in the Medium-Term Management Plan (consolidated ordinary profit, consolidated return on equity, etc.), (2) shareholder value indicators that promote sharing of interests with the shareholders (total shareholder return, total return ratio, etc.), and (3) non-financial indicators for fulfilling our social responsibilities and creating value for employees and environment set forth in the Company's Medium-Term Management Plan (the frequency rate [the number of fatalities and injuries due to occupational accidents resulting in four or more days of lost work per million total actual working hours], employee engagement score, GHG emission reduction rate, etc.).

At a certain time each year during the trust period, points will be granted in accordance with the position and the degree of achievement of each KPI for the fiscal year ending March 31 of the same year, and at the time of retirement of each of Eligible Board Directors, etc., cumulative points (hereinafter the "Number of Cumulative Points") will be calculated, and one share of the Company's shares, etc. will be delivered for each point in the Number of Cumulative Points. However, in the event that the Company's shares undergo a share split or share consolidation, etc. during the trust period, the number of the Company's shares for each point will be adjusted according to the split ratio or consolidation ratio, etc., of the Company's shares.

- Benchmark points = Benchmark amount (about 30% of total compensation) / Trust's stock acquisition price (average)
- Individual points = Benchmark points × Performance-linked coefficient

Subject to the approval of the resolution at the Annual General Meeting of Shareholders for the FYE March 31, 2023, the maximum amount of trust money to be contributed by the Company to the BIP Trust shall be a total of ¥1,500 million for three consecutive fiscal years (hereinafter the "Eligible Period"), and the maximum number of the Company's shares to be acquired by the BIP Trust (total number of the Company's shares to be delivered to Eligible Board Directors, etc. by the BIP Trust) shall be 1.80 million shares during the Eligible Period (0.60 million shares per fiscal year).

In order to ensure the soundness of management, in the event of serious inappropriate behavior, such as a dismissal of an Eligible Board Director, etc. during their tenure of office due to conduct that constitutes grounds for dismissal, the payment of stock compensation under the performance-linked stock compensation plan shall be restricted.