**PROPOSALS**

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| 1.1 Elect Kimata Masatoshi  
President, Representative Director. It is considered that it is the responsibility of the most senior Board members to ensure that there is appropriate outside oversight of Board decisions. As there is inadequate outside presence on the Board (less than three outside directors), an oppose vote on the most senior directors is recommended. | Oppose |
| 1.2 Elect Kubo Toshihiro  
Executive Director. Representative Director. | For |
| 1.3 Elect Kimura Shigeru  
Executive Director. | For |
| 1.4 Elect Ogawa Kenshirou  
Executive Director. | For |
| 1.5 Elect Kitao Yuuichi  
Executive Director. | For |
| 1.6 Elect Iida Satoshi  
Executive Director. | For |
| 1.7 Elect Yoshikawa Masato  
Newly nominated Executive Director. There are no women on the Board. He is newly appointed to the Board and his appointment does not improve the gender balance on the Board which Triodos does not support. | Oppose |
| 1.8 Elect Matsuda Yuzuru  
Independent Non-Executive Outside Director. | For |
| 1.9 Elect Ina Kouichi  
Independent Non-Executive Outside Director. | For |
| 2 Elect Reserve Corporate Auditor  
Elect Morishita Masao, as reserve corporate auditor. Considered independent. | For |
| 3 Payment of Bonus to Directors/Corporate Auditors  
The company proposes the payment of bonuses to directors and corporate auditors. Although shareholders are given an opportunity to vote at the Annual Meeting on whether bonus would be paid, the level of individual payment is unclear and is decided entirely by the board. However, the company does disclose that only internal directors will be able to benefit from this awards scheme and aggregate amount payable is disclosed. Triodos supports this resolution. | For |
| 4 Reviewing Aggregate Remuneration Amount of Directors/Corporate Auditors  
It is proposed to approve the aggregate remuneration of directors, pursuant to the provisions of the Companies Act and the Ordinance for Enforcement of the Companies Act. The increase has been justified and it is within recommended limits. Also, performance-related pay is restricted to executives. Triodos supports this resolution. | For |

**SUPPORTING INFORMATION FOR RESOLUTIONS**
Proposal 2 - Elect Reserve Corporate Auditor
The traditional governance structure for Japanese companies (Kansayaku) involves the appointment of corporate auditors. Large Japanese companies are required to form a board of corporate auditors with powers to examine board activities and oversee financial reports. Such companies are required by law to appoint at least three statutory auditors to the corporate audit board. At least half the corporate auditors must qualify as ‘outsiders’. Beyond this legal minimum, it is considered to be best practice that boards of corporate auditors should be composed wholly of outsiders. New appointments are therefore considered in the context of their effect on the balance of independence. Note: It is considered that the corporate auditor board will be 50% independent following the Annual Meeting.