

MEETING DATE	Wed, 17 Jun 2020 10:00 am	TYPE	AGM	ISSUE DATE	Fri, 05 Jun 2020
MEETING LOCATION	Shinagawa Prince Hotel, Annex Tower, 5F, "Prince Hall" 10-30, Takanawa 4-chome, Minato-ku, Tokyo				
CURRENT INDICES	PIRC Japan				
SECTOR	Radiotelephone communications				

PROPOSALS		ADVICE
<b>1</b>	<b>Appropriation of Surplus</b> Japanese companies seek specific authority for the appropriation of any surplus in earnings and this authority includes any distribution of a dividend. The approach to such resolutions rests on the degree to which the dividend payout ratio is in line with the level of distribution which investors could reasonably expect. A dividend of 60 yen per share is proposed, and the dividend payout ratio is approximately 41.7%. This exceeds the minimum acceptable threshold of 15% and the company did not make a loss during the year under review. Support is recommended.	<b>For</b>
<b>2.1</b>	<b>Elect Tanaka Takashi</b> Executive Director. Chair. It is considered the responsibility of the most senior Board member to ensure that there is appropriate outside oversight of Board decisions. As there are three or more outside directors, it is considered that there is adequate outside presence on the Board, and support is therefore recommended.	<b>For</b>
<b>2.2</b>	<b>Elect Takahashi Makoto</b> Executive Director. President. It is considered the responsibility of the most senior Board member to ensure that there is appropriate outside oversight of Board decisions. As there are three or more outside directors, it is considered that there is adequate outside presence on the Board, and support is therefore recommended.	<b>For</b>
<b>2.3</b>	<b>Elect Shouji Takashi</b> Executive Director.	<b>For</b>
<b>2.4</b>	<b>Elect Muramoto Shinichi</b> Executive Director.	<b>For</b>
<b>2.6</b>	<b>Elect Morita Kei</b> Executive Director.	<b>For</b>
<b>2.7</b>	<b>Elect Amamiya Toshitake</b> Executive Director.	<b>For</b>
<b>2.8</b>	<b>Elect Takeyama Hirokuni</b> Newly appointed Executive Director. It is considered that the election of new executive directors, should not be supported, as their appointment to the Board would lead to a Board where independent directors comprise less than one-third of the whole board.	<b>Oppose</b>
<b>2.9</b>	<b>Elect Yoshimura Kazuyuki</b> Newly appointed Executive Director. It is considered that the election of new executive directors, should not be supported, as their appointment to the Board would lead to a Board where independent directors comprise less than one-third of the whole board.	<b>Oppose</b>
<b>2.10</b>	<b>Elect Yamaguchi Gorou</b> Non-Executive Director, not considered to be independent. There is insufficient independent representation on the Board (less than one-third of the whole Board). Opposition is recommended.	<b>Oppose</b>
<b>2.11</b>	<b>Elect Yamamoto Keiji</b> Non-Executive Director, not considered to be independent. There is insufficient independent representation on the Board (less than one-third of the whole Board). Opposition is recommended.	<b>Oppose</b>
<b>2.5</b>	<b>Elect Mori Keiichi</b> Executive Director.	<b>For</b>

<b>2.12</b>	<b>Elect Ooyagi Shigeo</b> Independent Non-Executive Outside Director.	<b>For</b>
<b>2.13</b>	<b>Elect Kano Riyo</b> Independent Non-Executive Outside Director.	<b>For</b>
<b>2.14</b>	<b>Elect Gotou Shigeki</b> Newly nominated Independent Non-Executive Outside Director.	<b>For</b>
<b>3.1</b>	<b>Elect Takagi Kenichirou</b> Inside Corporate Auditor. Not considered to be independent. Opposition is recommended.	<b>Oppose</b>
<b>3.2</b>	<b>Elect Hontou Shin</b> Independent Corporate Auditor. Support is recommended.	<b>For</b>
<b>3.3</b>	<b>Elect Matsumiya Toshihiko</b> Independent Corporate Auditor. Support is recommended.	<b>For</b>
<b>3.4</b>	<b>Elect Karube Jun</b> Independent Corporate Auditor. Support is recommended.	<b>For</b>

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## SUPPORTING INFORMATION FOR RESOLUTIONS

### Proposal 3.1 - Elect Takagi Kenichirou

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 60.0% independent following the Annual Meeting.

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