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Securities Code: 9008

June 7, 2022

To our shareholders:

Yasushi Komura
President, Representative Director and Executive
Officer
Keio Corporation
Location of principal office: 1-9-1 Sekido, Tama-shi,
Tokyo
Registered primary office: 3-1-24 Shinjuku,
Shinjuku-ku, Tokyo

NOTICE OF THE 101ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

The 101st Ordinary General Meeting of Shareholders of Keio Corporation (the “Company”) will be held as described below.

If you decide not to attend the meeting in person, you may exercise your voting rights by either one of the following two methods. Please indicate your approval or disapproval of the proposals after reviewing the attached Reference Documents for the General Meeting of Shareholders, and exercise voting rights no later than 6:00 p.m., Tuesday, June 28, 2022 (Japan Standard Time).

Exercise of Voting Rights using a smartphone, computer, etc.

Please vote by the above deadline by scanning the “QR Code for logging in to the voting website for smartphones” or by accessing the website for the exercise of voting rights (<https://www.web54.net>) on a computer.

Exercise of Voting Rights via postal mail

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and then return the form to the Company by the above deadline.

1. Date and Time: Wednesday, June 29, 2022 at 10:00 a.m. (Japan Standard Time)
(Reception starts at 9:00 a.m.)

2. Venue: Keio Plaza Hotel Hachioji 5F “Sho-oh”
14-1 Asahi-cho, Hachioji-shi, Tokyo

3. Purposes:

Items to be reported:

1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 101st Term (from April 1, 2021 to March 31, 2022)
2. Results of audit of the Consolidated Financial Statements by the Accounting Auditors and the Audit and Supervisory Committee for the 101st Term (from April 1, 2021 to March 31, 2022)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Eleven (11) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 4:** Election of Four (4) Directors Who Are Audit and Supervisory Committee Members
- Proposal 5:** Determination Regarding Adoption of the Basic Policy Regarding Countermeasures to Large-Scale Acquisitions of the Company’s Shares (Takeover Defense Measures)

4. Matters to be Decided Before Meeting:

- (1) When voting rights are exercised both in writing and via the Internet, the vote received via the Internet shall be deemed effective. However, when voting rights are exercised via the Internet more than once, the last vote shall be deemed effective.
- (2) If you are exercising your voting right by proxy, another shareholder with voting rights to serve as proxy can attend the meeting on your behalf. However, the proxy must submit your Voting Rights Exercise Form and a form stating that you give power of attorney to your proxy.

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1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form. In addition, to conserve resources, please bring this “Notice” with you.
 2. Persons other than shareholders with voting rights, such as proxies who are not also shareholders and accompanying persons, may not enter the hall.
 3. The Company’s officers and staff will be wearing casual attire (“cool biz”), and we ask your understanding. Shareholders are also welcome to dress casually.
 4. In the event of any revisions to the Reference Documents for the General Meeting of Shareholders, Business Reports, Consolidated Financial Statements, and Non-Consolidated Financial Statements by the day prior to the meeting, the revised documents will be posted on the Company website.
 5. A Notice of Resolutions for this general meeting of shareholders will be included in the “KEIO INVESTORS’ GUIDE” to be sent out following the General Meeting of Shareholders.
 6. Any significant changes to the operation or venue of the general meeting of shareholders arising due to the spread of the novel coronavirus will be notified on the Company’s website. If you plan to attend the meeting, please check the website before setting out.
 7. The Company has posted the following items on its website as part of its requirement to provide documents in accordance with laws and regulations and with Article 16 of the Articles of Incorporation. Accordingly, these items are not attached to the notice of convocation of this general meeting of shareholders.
 - (i) “Principal Offices,” “Employees,” “Major Lenders,” in “Matters concerning the Group,” “Matters Relating to the Company’s Shares,” “Accounting Auditors,” “System and Policy of the Company” in Business Report

(ii) “Consolidated Statement of Changes in Equity,” “Notes to Consolidated Financial Statements” in Consolidated Financial Statements

(iii) “Statement of Changes in Equity,” “Notes to Non-Consolidated Financial Statements” in Non-Consolidated Financial Statements

The Business Report audited by the Audit and Supervisory Committee and the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit and Supervisory Committee and the Accounting Auditors include, in addition to the documents attached to this Notice, the above items posted on the Company website.

Company website ▶<https://www.keio.co.jp/>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company maintained a basic policy to return profits to our shareholders, taking the Company's performance, etc. into consideration, while enhancing internal reserves necessary to reinforce the management foundation in preparation for future business expansion and changes in the business environment.

For the 101st Term, although the Company's performance is on a path of recovery, business conditions continue to be quite challenging due to the impact of the novel coronavirus disease (COVID-19) that has continued from the previous year. Amid such circumstances, the Company has considered its cash flows for the fiscal year, its capacity to provide dividends, etc., and the year-end dividend shall be as follows:

1. Type and allocation of dividend property, and total amount

¥20 per common share of the Company

Total amount of dividends: ¥2,443,110,300

2. Effective date of distribution of dividends of surplus

June 30, 2022

As the Company has already paid an interim dividend of ¥20 per share, the annual dividend for the fiscal year will be ¥40 per share, which is the same amount as for the previous year.

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for the Amendment

Following the enforcement on September 1, 2022 of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019), companies issuing book-entry transfer shares (listed companies) will be obligated to take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders and other documents in electronic format. Accordingly, accompanying the following establishment and deletion of provisions in the Company’s Articles of Incorporation, supplementary provisions regarding the effective date, etc. will be established.

- (1) Since the provision of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders and Other Documents) of the pre-amended Articles of Incorporation will no longer be required after the introduction of the system for providing the reference documents for the general meeting of shareholders and other documents in electronic format, it will be deleted.
- (2) Article 16 (Electronic Provision Measures, Etc.), paragraph 1 in “Proposed Amendments” below will be established to stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders and other documents in electronic format.
- (3) Article 16 (Electronic Provision Measures, Etc.), paragraph 2 in “Proposed Amendments” below will be established so that the Company may limit the scope of items stated in the paper-based documents to be mailed in response to requests for delivery of the reference documents for the general meeting of shareholders and other documents as paper-based documents to the scope prescribed by the Ordinance of the Ministry of Justice.

2. Details of the Amendment

The Articles of Incorporation, in their current form as well as the proposed amendments thereto, are described below.

Current Articles of Incorporation and Proposed Amendments

(The proposed amendments are underlined.)

Current Articles	Proposed Amendments
<p style="text-align: center;"><u>CHAPTER 3 GENERAL MEETING OF SHAREHOLDERS</u></p> <p><u>Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders and Other Documents)</u></p> <p><u>When the Company convenes a General Meeting of Shareholders, if it discloses information that is to be stated or indicated in the Reference Documents for the General Meeting of Shareholders, Business Reports, Consolidated Financial Statements, and Non-Consolidated Financial Statements through the internet in accordance with the provisions prescribed by the Ordinance of the Ministry of Justice, it may be deemed that the Company has provided this information to shareholders.</u></p>	<p style="text-align: center;"><u>CHAPTER 3 GENERAL MEETING OF SHAREHOLDERS</u></p> <p style="text-align: center;">[Deleted]</p>

Current Articles	Proposed Amendments
[New]	<p><u>Article 16 (Electronic Provision Measures, Etc.)</u></p> <p><u>1. When the Company convenes a General Meeting of Shareholders, the Company shall take the electronic provision measures stipulated in Article 325-2 of the Companies Act regarding information contained in the Reference Documents for the General Meeting of Shareholders and other documents.</u></p> <p><u>2. Among the matters for which electronic provision measures will be taken, the Company is not required to provide in writing all or some of the items prescribed by the Ordinance of the Ministry of Justice to shareholders who have requested such items in writing by the record date for voting rights.</u></p>
[New]	<p><u>Supplementary Provisions</u></p> <p><u>Article 1 (Transitional Measures Regarding Electronic Provision of Documents for the General Meeting of Shareholders)</u></p> <p><u>1. The deletion of Article 16 in the pre-amended Articles of Incorporation and the establishment of the new Article 16 in the amended Articles of Incorporation shall be effective from September 1, 2022.</u></p> <p><u>2. Notwithstanding the provision of the preceding paragraph, the following provision shall remain effective regarding any General Meeting of Shareholders held on a date within six months from September 1, 2022.</u></p> <p><u>When the Company convenes a General Meeting of Shareholders, if it discloses information that is to be stated or indicated in the Reference Documents for the General Meeting of Shareholders, Business Reports, Consolidated Financial Statements, and Non-Consolidated Financial Statements through the internet in accordance with the provisions prescribed by the Ordinance of the Ministry of Justice, it may be deemed that the Company has provided this information to shareholders.</u></p> <p><u>3. This Article shall be deleted on the day that six months have elapsed since September 1, 2022 or on the day that three months have elapsed since the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of Eleven (11) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire. Accordingly, the Company proposes that eleven (11) Directors (excluding Directors who are Audit and Supervisory Committee Members) be elected. The candidates for Directors are as follows.

No.	Name		Position and responsibilities in the Company
1	Yasushi Komura	[Reelection]	President, Representative Director and Executive Officer
2	Kazunori Nakaoka	[Reelection]	Director, Senior Managing Officer Senior General Manager, Strategic Planning Headquarters, Shinjuku Area Development Office
3	Yoshitaka Minami	[Reelection]	Director, Managing Officer Senior General Manager, Real Estate and Commercial Business Headquarters
4	Satoshi Tsumura	[Reelection]	Director, Managing Officer Senior General Manager, Corporate Management Headquarters, General Affairs and Crisis Management, Legal and Compliance, Public Relations and Personnel Departments, In Charge of Finance and Information Disclosure and Compliance
5	Atsushi Takahashi	[Reelection] [Outside Director] [Independent Officer]	Director
6	Takeshi Furuichi	[Reelection] [Outside Director] [Independent Officer]	Director
7	Katsuyoshi Wakabayashi	[Reelection]	Director
8	Masaya Yamagishi	[New election]	Executive Officer
9	Shuji Miyasaka	[New election]	Executive Officer, General Manager, Personnel Department
10	Masahiro Ono	[New election]	Executive Officer, Real Estate and Commercial Business Headquarters, General Manager, Planning and Management Department
11	Shinichi Inoue	[New election]	Executive Officer

Note: The Company regards Directors and Executive Officers as insured persons and has entered into a directors and officers liability insurance policy as prescribed in Article 430-3 of the Companies Act, which indemnifies the insured person for damages due to claims for damages caused by actions (including omissions) carried out during work as an officer of the Company. Within the insurance premiums for this insurance policy, the Company's Directors bear the expenses of insurance premiums pertaining to special agreements for shareholder lawsuits. If their election is approved, the Company will renew the insurance policy.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned	
1	Yasushi Komura (March 21, 1958) [Reelection]	Apr. 1980	Joined the Company	20,300
		June 2004	General Manager, Corporate Planning Headquarters, Finance and Accounting Department	
		June 2007	General Manager, Corporate Planning Headquarters, Management Planning Department	
		June 2010	Director, Deputy Senior General Manager, Corporate Planning Headquarters	
		June 2011	Director, Senior General Manager, Corporate Planning Headquarters	
		June 2012	Managing Director, Senior General Manager, Corporate Planning Headquarters	
		June 2013	President and Representative Director of Keio Travel Agency Co., Ltd.	
		June 2013	Director	
		June 2015	Executive Vice President and Representative Director	
		June 2016	President and Representative Director	
		June 2020	President, Representative Director and Executive Officer (to present)	
		(Significant concurrent positions outside the Company) Outside Director of Sunwood Corporation (Scheduled in June 2022)		
<p>Reasons for nomination as candidate Yasushi Komura has extensive business experience in the Group and has the qualifications and knowledge needed for corporate management overall. We expect him to continue contributing to the establishment and implementation of the Group's medium- and long-term strategies, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>(Note) There is no special interest between the candidate and the Company.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p>Kazunori Nakaoka (February 5, 1960)</p> <p>[Reelection]</p>	<p>Apr. 1983 Joined the Company</p> <p>June 2006 General Manager, SC Business Department</p> <p>June 2009 General Manager, Personnel Department</p> <p>June 2011 General Manager, Corporate Planning Headquarters, Group Business Management Department</p> <p>June 2013 Director, General Manager, Corporate Planning Headquarters, Management Planning Department</p> <p>June 2015 Managing Director in Charge of the Development</p> <p>June 2016 Managing Director, Senior General Manager, Strategic Planning Headquarters and Senior General Manager, Real Estate and Commercial Business Headquarters</p> <p>June 2017 Managing Director, Senior General Manager, Real Estate and Commercial Business Headquarters</p> <p>June 2018 Managing Director, Senior General Manager, Railway Operations Headquarters, Special Officer in Charge of Shinjuku Area Development</p> <p>June 2019 Managing Director, Senior General Manager, Railway Operations Headquarters</p> <p>June 2020 Director, Senior Managing Officer, Senior General Manager, Strategic Planning Headquarters General Manager, International Strategies Department, Shinjuku Area Development Office, Strategic Planning Office, Management Planning Department, Corporate Management Headquarters</p> <p>June 2021 Director, Senior Managing Officer, Senior General Manager, Strategic Planning Headquarters, Shinjuku Area Development Office (to present)</p>	8,100
<p>Reasons for nomination as candidate Kazunori Nakaoka has primarily worked in the real estate business, development business, and personnel operations, and has extensive business experience in the Group, as well as the knowledge needed for corporate management, personnel and labor, safety management, sales and marketing, and urban development and lifestyle services. We expect him to continue contributing to the establishment and implementation of the Group's medium- and long-term strategies, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Yoshitaka Minami (March 5, 1963) [Reelection]	Apr. 1986 Joined the Company June 2009 President and Representative Director of Keio Shokuhin Co., Ltd. June 2011 General Manager, Business Promotion and Development Department Dec. 2011 President and Representative Director of ReBITA Inc. June 2015 General Manager, Corporate Planning Headquarters, Management Planning Department June 2016 Director, General Manager, Strategic Planning Headquarters, Business Innovation Department June 2017 Director, Senior General Manager, Strategic Planning Headquarters June 2018 Managing Director, Senior General Manager, Real Estate and Commercial Business Headquarters June 2019 Managing Director, General Affairs and Legal, Public Relations and Personnel Departments, and in Charge of Compliance, and Special Officer in Charge of Shinjuku Area Development June 2020 Director, Managing Officer Senior General Manager, Corporate Management Headquarters, General Affairs and Crisis Management, Legal and Compliance, Public Relations and Personnel Departments, In Charge of Finance and Information Disclosure and Compliance June 2021 Director, Managing Officer, Senior General Manager, Real Estate and Commercial Business Headquarters (to present)	5,100
<p>Reasons for nomination as candidate Yoshitaka Minami has primarily worked in the real estate business and development business and has extensive business experience in the Group, as well as the knowledge needed for corporate management, finance and accounting, legal and risk management, sales and marketing, and urban development and lifestyle services. We expect him to continue contributing to the establishment and implementation of the Group's medium- and long-term strategies, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Satoshi Tsumura (June 15, 1964) [Reelection]	<p>Apr. 1988 Joined the Company</p> <p>June 2012 General Manager, Corporate Planning Headquarters, Transit Adjacent Development Department</p> <p>June 2015 President and Representative Director of ReBITA Inc.</p> <p>June 2018 Director, General Manager, Corporate Management Headquarters, Group Business Management Department</p> <p>June 2020 Executive Officer, Corporate Management Headquarters, General Manager, Management Planning Department</p> <p>June 2021 Director, Managing Officer, Senior General Manager, Corporate Management Headquarters, General Affairs and Crisis Management, Legal and Compliance, Public Relations and Personnel Departments, In Charge of Finance and Information Disclosure and Compliance (to present)</p>	1,700
<p>Reasons for nomination as candidate Satoshi Tsumura has extensive business experience in the Group and has the qualifications and knowledge needed for corporate management overall. We expect him to continue contributing to the establishment and implementation of the Group's medium- and long-term strategies, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 9/9</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Atsushi Takahashi (July 23, 1941) [Reelection] [Outside Director] [Independent Officer]	<p>Apr. 1965 Joined Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited)</p> <p>June 1991 Director of Sumitomo Trust and Banking Co., Ltd.</p> <p>June 1993 Managing Director of Sumitomo Trust and Banking Co., Ltd.</p> <p>June 1997 Senior Managing Director of Sumitomo Trust and Banking Co., Ltd.</p> <p>Mar. 1998 President and Representative Director of Sumitomo Trust and Banking Co., Ltd.</p> <p>June 2005 Chairman and Representative Director of Sumitomo Trust and Banking Co., Ltd.</p> <p>Apr. 2011 Senior Adviser of Sumitomo Trust and Banking Co., Ltd.</p> <p>June 2011 Outside Director of The Bank of Iwate, Ltd.</p> <p>June 2011 Outside Director of the Company (to present)</p> <p>Apr. 2012 Senior Adviser of Sumitomo Mitsui Trust Bank, Limited</p> <p>July 2016 Senior Corporate Advisor of Sumitomo Mitsui Trust Bank, Limited</p> <p>July 2018 Honorary Advisor of Sumitomo Mitsui Trust Bank, Limited (to present)</p> <p>(Significant concurrent positions outside the Company) Honorary Advisor of Sumitomo Mitsui Trust Bank, Limited</p>	600
<p>Reasons for nomination as candidate for Outside Director Atsushi Takahashi has abundant experience and knowledge as a management executive, and plays an appropriate role in enhancing corporate governance of the Company by providing useful opinion from the external point of view in addition to having discussions as a member of the Governance Committee and the Nomination & Compensation Committee, which are voluntary advisory bodies to the Board of Directors. The Company has nominated him as candidate for Outside Director in order to continue utilizing his experience in providing oversight of management.</p> <p>Attendance at meetings of the Board of Directors 11/11</p>			

- Notes:
1. There is no special interest between Atsushi Takahashi and the Company. He served as Director of Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited) until March 2011. That company is in a business relationship with the Company involving borrowing funds, etc., but all of which are based on the same terms and conditions as those for ordinary transactions.
 2. Atsushi Takahashi will have served as an Outside Director of the Company for eleven (11) years as of the conclusion of this meeting.
 3. Atsushi Takahashi has executed a limited liability agreement with the Company as stipulated in Article 423, paragraph (1) of the Companies Act. The limited liabilities for damages under the agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. If his election is approved, the Company will extend the limited liability agreement with him.
 4. The Company has designated Atsushi Takahashi as Independent Officer as stipulated in the regulations of the Tokyo Stock Exchange, and registered him as such at the exchange. If he is elected, he will remain Independent Officer.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Takeshi Furuichi (August 21, 1954) [Reelection] [Outside Director] [Independent Officer]	<p>Apr. 1977 Joined Nippon Life Insurance Company</p> <p>July 2004 Director of Nippon Life Insurance Company</p> <p>Jan. 2007 Director and Executive Officer of Nippon Life Insurance Company</p> <p>Mar. 2007 Managing Director of Nippon Life Insurance Company</p> <p>Mar. 2009 Senior Managing Director of Nippon Life Insurance Company</p> <p>Mar. 2010 Representative Director and Senior Managing Director of Nippon Life Insurance Company</p> <p>Mar. 2012 Representative Director and Executive Vice President of Nippon Life Insurance Company</p> <p>June 2016 Outside Director of Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>June 2016 Outside Director of the Company (to present)</p> <p>July 2016 Representative Director and Vice Chairman of Nippon Life Insurance Company (to present)</p> <p>June 2020 Outside Director of Daicel Corporation (to present)</p> <p>(Significant concurrent positions outside the Company) Representative Director and Vice Chairman of Nippon Life Insurance Company Outside Director of Daicel Corporation</p>	1,100
<p>Reasons for nomination as candidate for Outside Director Takeshi Furuichi has abundant experience and knowledge as a management executive, and plays an appropriate role in enhancing corporate governance of the Company by providing useful opinion from the external point of view in addition to having discussions as a member of the Governance Committee and the Nomination & Compensation Committee, which are voluntary advisory bodies to the Board of Directors. The Company has nominated him as candidate for Outside Director in order to continue utilizing his experience in providing oversight of management.</p> <p>Attendance at meetings of the Board of Directors 11/11</p>			

- Notes:
1. Takeshi Furuichi serves as Representative Director and Vice Chairman of Nippon Life Insurance Company. That company is in a business relationship with the Company involving borrowing funds, etc., but all of which are based on the same terms and conditions as those for ordinary transactions. In addition, that company conducts a real estate business which is in the line of business of the Company.
 2. Takeshi Furuichi will have served as an Outside Director of the Company for six (6) years as of the conclusion of this meeting.
 3. Takeshi Furuichi has executed a limited liability agreement with the Company as stipulated in Article 423, paragraph (1) of the Companies Act. The limited liabilities for damages under the agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. If his election is approved, the Company will extend the limited liability agreement with him.
 4. The Company has designated Takeshi Furuichi as Independent Officer as stipulated in the regulations of the Tokyo Stock Exchange, and registered him as such at the exchange. If he is elected, he will remain Independent Officer.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Katsuyoshi Wakabayashi (July 20, 1963) [Reelection]	<p>Apr. 1987 Joined the Company</p> <p>June 2011 General Manager, Marketing Strategy Office of Keio Plaza Hotel Co., Ltd.</p> <p>June 2012 General Manager, Management Planning Department of Keio Plaza Hotel Co., Ltd.</p> <p>June 2013 Director of Keio Plaza Hotel Co., Ltd.</p> <p>June 2017 President and Representative Director of Keio Jidosha Co., Ltd.</p> <p>June 2019 Director (to present)</p> <p>June 2020 President and Representative Director of Keio Plaza Hotel Co., Ltd. (to present)</p> <p>(Significant concurrent positions outside the Company) President and Representative Director of Keio Plaza Hotel Co., Ltd.</p>	2,800
<p>Reasons for nomination as candidate Katsuyoshi Wakabayashi has primarily worked in the hotel business and bus business, and has extensive business experience in the Group, as well as the knowledge needed for corporate management, safety management, and sales and marketing. We expect him to continue contributing to the establishment and implementation of the Group's medium- and long-term strategies, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			
8	Masaya Yamagishi (August 10, 1963) [New election]	<p>Apr. 1987 Joined the Company</p> <p>June 2011 Managing Director of Keio Store Co., Ltd.</p> <p>June 2013 President and Representative Director of Restaurant Keio Co., Ltd.</p> <p>June 2016 General Manager, Personnel Department</p> <p>June 2018 Director, General Manager, Personnel Department</p> <p>June 2019 President and Representative Director of Keio Store Co., Ltd. (to present)</p> <p>June 2019 Director</p> <p>June 2020 Executive Officer (to present)</p> <p>(Significant concurrent positions outside the Company) President and Representative Director of Keio Store Co., Ltd.</p>	3,500
<p>Reasons for nomination as candidate Masaya Yamagishi has primarily worked in personnel operations and the merchandise sales business, and has extensive business experience in the Group, as well as the knowledge needed for corporate management, personnel and labor, sales and marketing, and urban development and lifestyle services. We expect him to contribute to the establishment and implementation of the Group's medium- and long-term strategies, and thus have nominated him as a new candidate for this position.</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	Shuji Miyasaka (December 16, 1962) [New election]	Apr. 1986 Joined the Company	2,900
		June 2010 Director of Keio Dentetsu Bus Co., Ltd.	
June 2013 General Manager, Corporate Planning Headquarters, Group Business Management Department			
June 2016 President and Representative Director of Nishi Tokyo Bus Co., Ltd.			
June 2019 General Manager, Personnel Department			
June 2020 Executive Officer and General Manager, Personnel Department (to present)			
<p>Reasons for nomination as candidate Shuji Miyasaka has primarily worked in the bus business and personnel operations, and has extensive business experience in the Group, as well as the knowledge needed for corporate management, personnel and labor, safety management, and sales and marketing. We expect him to contribute to the establishment and implementation of the Group's medium- and long-term strategies, and thus have nominated him as a new candidate for this position.</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			
10	Masahiro Ono (December 27, 1965) [New election]	Apr. 1989 Joined the Company	7,900
		June 2013 General Manager, Planning and Management Department, Shinjuku Area Development Office	
June 2016 General Manager, Real Estate and Commercial Business Headquarters, Planning and Management Department, Shinjuku Area Development Office			
June 2018 General Manager, Real Estate and Commercial Business Headquarters, Planning and Management Department			
June 2020 Executive Officer, General Manager, Real Estate and Commercial Business Headquarters, Planning and Management Department (to present)			
<p>Reasons for nomination as candidate Masahiro Ono has primarily worked in the real estate business and development business, and has extensive business experience in the Group, as well as the knowledge needed for corporate management, sales and marketing, and urban development and lifestyle services. We expect him to contribute to the establishment and implementation of the Group's medium- and long-term strategies, and thus have nominated him as a new candidate for this position.</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
11	Shinichi Inoue (July 30, 1966) [New election]	Apr. 1989 Joined the Company June 2013 General Manager, Railway Operations Headquarters, Railway Service and Operation Department June 2016 General Manager, Railway Operations Headquarters, Railway Management Planning Department June 2019 President and Representative Director of Nishi Tokyo Bus Co., Ltd. (to present) June 2020 Executive Officer (to present) (Significant concurrent positions outside the Company) President and Representative Director of Nishi Tokyo Bus Co., Ltd.	4,600
<p>Reasons for nomination as candidate Shinichi Inoue has primarily worked in the railway business and bus business and has extensive business experience in the Group, as well as the knowledge needed for corporate management, safety management, sales and marketing, and urban development and lifestyle services. We expect him to contribute to the establishment and implementation of the Group's medium- and long-term strategies, and thus have nominated him as a new candidate for this position.</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

Proposal 4: Election of Four (4) Directors Who Are Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all Directors who are Audit and Supervisory Committee Members will expire. Accordingly, the Company proposes that four (4) Directors who are Audit and Supervisory Committee Members be elected. The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

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

No.	Name		Position and responsibilities in the Company
1	Shunji Ito	[Reelection]	Director, Audit and Supervisory Committee Member (full-time) Chairman, Audit and Supervisory Committee
2	Hiroshi Takekawa	[Reelection] [Outside Director] [Independent Officer]	Director, Audit and Supervisory Committee Member (full-time)
3	Keiko Kitamura	[Reelection] [Outside Director] [Independent Officer]	Director, Audit and Supervisory Committee Member
4	Masashi Kaneko	[Reelection] [Outside Director] [Independent Officer]	Director, Audit and Supervisory Committee Member

Note: The Company regards Directors and Executive Officers as insured persons and has entered into a directors and officers liability insurance policy as prescribed in Article 430-3 of the Companies Act, which indemnifies the insured person for damages due to claims for damages caused by actions (including omissions) carried out during work as an officer of the Company. Within the insurance premiums for this insurance policy, the Company's Directors bear the expenses of insurance premiums pertaining to special agreements for shareholder lawsuits. If their election is approved, the Company will renew the insurance policy.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p style="text-align: center;">Shunji Ito (February 14, 1961) [Reelection]</p>	<p>Apr. 1983 Joined the Company</p> <p>June 2005 Director of Keio Store Co., Ltd</p> <p>June 2008 Managing Director of Keio Store Co., Ltd.</p> <p>June 2010 General Manager, Corporate Planning Headquarters, Management Planning Department</p> <p>June 2013 Managing Director of Keio Department Store Co., Ltd.</p> <p>June 2015 Director, General Manager, Corporate Planning Headquarters, International Strategies Department</p> <p>June 2016 Director, Deputy Senior General Manager, Corporate Management Headquarters, General Manager, Management Planning Department</p> <p>June 2017 Managing Director, General Affairs and Legal, Public Relations and Personnel Departments, and in Charge of Compliance</p> <p>June 2018 Managing Director, Senior General Manager, Corporate Management Headquarters, and in Charge of Finance and Information Disclosure</p> <p>June 2020 Director, Audit and Supervisory Committee Member (full-time), and Chairman, Audit and Supervisory Committee (to present)</p>	6,500
<p>Reasons for nomination as candidate for Director who is Audit and Supervisory Committee Member Shunji Ito has been in charge of the Finance and Accounting and General Affairs and Legal engaging in management as Director of the Company, and possesses considerable knowledge in finance, accounting and legal affairs as well as abundant experience and wide range of knowledge in the business of the Group, having worked in the management of the Group companies. We expect him to continue playing an appropriate role in enhancing the corporate governance of the Company, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>Attendance at meetings of the Audit and Supervisory Committee 16/16</p> <p>(Note) There is no special interest between the candidate and the Company.</p>			

No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Hiroshi Takekawa (June 10, 1964) [Reelection] [Outside Director] [Independent Officer]	<p>Apr. 1988 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2015 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>July 2015 Executive Officer of Mitsubishi UFJ Financial Group, Inc.</p> <p>June 2018 Outside Audit & Supervisory Board Member of the Company (full-time)</p> <p>June 2020 Outside Director, Audit and Supervisory Committee Member (full-time) (to present)</p>	500
<p>Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member</p> <p>Hiroshi Takekawa has experience working at financial institutions, has abundant knowledge in finance and accounting, and a wealth of experience and high level knowledge from serving as an executive officer of a financial institution. He is appropriately fulfilling the audit function as a full-time Outside Director who is an Audit and Supervisory Committee Member, from a neutral and fair perspective. We expect him to continue playing an appropriate role in enhancing the corporate governance of the Company, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>Attendance at meetings of the Audit and Supervisory Committee 16/16</p>			

- Notes:
1. There is no special interest between Hiroshi Takekawa and the Company.
 2. Hiroshi Takekawa will have served as an Outside Director who is an Audit and Supervisory Committee Member of the Company for two (2) years as of the conclusion of this meeting.
 3. The Company has designated Hiroshi Takekawa as Independent Officer as stipulated in the regulations of the Tokyo Stock Exchange, and registered him as such at the exchange. If he is elected, he will remain Independent Officer.

No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Keiko Kitamura (November 21, 1945) [Reelection] [Outside Director] [Independent Officer]	<p>Apr. 1981 Professor, Faculty of Commerce, Chuo University</p> <p>Nov. 1997 Dean, Faculty of Commerce, Chuo University</p> <p>Apr. 2004 Vice President of Chuo University</p> <p>June 2006 Outside Audit & Supervisory Board Member of Yamato Holdings Co., Ltd.</p> <p>June 2014 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2015 Outside Audit & Supervisory Board Member of Hino Motors, Ltd. (to present)</p> <p>July 2015 Outside Director of Meiji Yasuda Life Insurance Company (to present)</p> <p>Apr. 2016 Honorary Professor, Chuo University (to present)</p> <p>June 2020 Outside Director, Audit and Supervisory Committee Member (to present)</p> <p>(Significant concurrent positions outside the Company) Honorary Professor, Chuo University Outside Director of Meiji Yasuda Life Insurance Company Outside Audit & Supervisory Board Member of Hino Motors, Ltd.</p>	1,800
<p>Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member</p> <p>Keiko Kitamura has abundant knowledge in finance and accounting from her experience as a university professor specializing in accounting over many years. Currently, she is appropriately fulfilling the audit function, from a neutral and fair perspective. We expect her to continue playing an appropriate role in enhancing the corporate governance of the Company, and thus have reelected her for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>Attendance at meetings of the Audit and Supervisory Committee 16/16</p>			

- Notes:
1. There is no special interest between Keiko Kitamura and the Company.
 2. Keiko Kitamura will have served as an Outside Director who is an Audit and Supervisory Committee Member of the Company for two (2) years as of the conclusion of this meeting.
 3. Hino Motors, Ltd., where Keiko Kitamura has served as Outside Audit & Supervisory Board Member since June 2015, was subject to revocation of the homologation of some engine models by the Ministry of Land, Infrastructure, Transport and Tourism in March 2022 due to misconduct comprising falsification in applications for certification concerning vehicle engines for the Japanese market. Although she was not aware of the incident in question before it came to light, she always proactively provides advice at meetings of the board of directors, etc. from the perspectives of oversight of management and legal compliance, and has fulfilled her duties. After the incident came to light, she worked to confirm the contents of an investigation into the incident while also further supervising the execution of duties by directors to prevent a recurrence.
 4. Keiko Kitamura has executed a limited liability agreement with the Company as stipulated in Article 423, paragraph (1) of the Companies Act. The limited liabilities for damages under the agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. If her election is approved, the Company will extend the limited liability agreement with her.
 5. The Company has designated Keiko Kitamura as Independent Officer as stipulated in the regulations of the Tokyo Stock Exchange, and registered her as such at the exchange. If she is elected, she will remain Independent Officer.

No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Masashi Kaneko (June 14, 1954) [Reelection] [Outside Director] [Independent Officer]	Apr. 1986 Admitted to practice law in Japan (registered with Tokyo Bar Association) (to present) June 2006 Committee Chair of the Special Committee on Measures against Racketeering through Intercession in Civil Disputes of the Japan Federation of Bar Associations Apr. 2008 Vice-President of the Tokyo Bar Association June 2014 Outside Audit & Supervisory Board Member of the Company June 2020 Outside Director, Audit and Supervisory Committee Member (to present) (Significant concurrent positions outside the Company) Attorney at law	800
<p>Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member Masashi Kaneko is an attorney at law and has abundant experience and knowledge as a legal specialist. Currently, he is appropriately fulfilling the audit function, from the perspective of legal compliance. We expect him to continue playing an appropriate role in enhancing the corporate governance of the Company, and thus have reelected him for this position.</p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>Attendance at meetings of the Audit and Supervisory Committee 16/16</p>			

- Notes:
1. There is no special interest between Masashi Kaneko and the Company.
 2. Masashi Kaneko will have served as an Outside Director who is an Audit and Supervisory Committee Member of the Company for two (2) years as of the conclusion of this meeting.
 3. Masashi Kaneko has executed a limited liability agreement with the Company as stipulated in Article 423, paragraph (1) of the Companies Act. The limited liabilities for damages under the agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. If his election is approved, the Company will extend the limited liability agreement with him.
 4. The Company has designated Masashi Kaneko as Independent Officer as stipulated in the regulations of the Tokyo Stock Exchange, and registered him as such at the exchange. If he is elected, he will remain Independent Officer.

(Reference)

1. Approach to the Composition of the Board of Directors

In light of the characteristics of our businesses, the Board of Directors comprises Directors from within the Company who have the abundant experience and capabilities to contribute to the enhancement of corporate value, and from the perspective of strengthening governance, Outside Directors who have experience and knowledge as management executives, Outside Directors who are Audit and Supervisory Committee Members who have specialized knowledge related to finance, accounting and legal affairs, and Directors who are full-time Audit and Supervisory Committee Members who can appropriately audit and supervise the performance of business executors.

The following skills matrix was created under the assumption that the proposals regarding the election of Directors at this General Meeting of Shareholders are approved as originally proposed.

Name		Skills						Experience (main fields, positions, qualifications, etc.)
		Corporate management Management strategy	Finance and accounting	Legal and risk management	Personnel and labor	Safety management	Sales and marketing	
Yasushi Komura	Reelection	○	○	○		○		Finance section
Kazunori Nakaoka	Reelection	○			○	○	○	Railway business, real estate business, development business, and human resources department
Yoshitaka Minami	Reelection	○	○	○			○	Real estate business and development business
Satoshi Tsumura	Reelection	○	○	○		○	○	Real estate business, development business and hotel business
Atsushi Takahashi	Reelection Outside Independent Officer	○	○					Currently Honorary Advisor of Sumitomo Mitsui Trust Bank, Limited
Takeshi Furuichi	Reelection Outside Independent Officer	○	○					Currently Representative Director and Vice Chairman of Nippon Life Insurance Company
Katsuyoshi Wakabayashi	Reelection	○				○	○	Hotel business and bus business
Masaya Yamagishi	New election	○			○		○	Human resources department and merchandise sales business
Shuji Miyasaka	New election	○			○	○	○	Bus business and human resources department
Masahiro Ono	New election	○					○	Real estate business and development business
Shinichi Inoue	New election	○				○	○	Railway business and bus business

Name		Skills							Experience (main fields, positions, qualifications, etc.)
		Corporate management Management strategy	Finance and accounting	Legal and risk management	Personnel and labor	Safety management	Sales and marketing	Urban development and lifestyle services	
Shunji Ito	Reelection	○	○	○					Merchandise sales business
Satoshi Takekawa	Reelection Outside Independent Officer		○	○	○				Previously Executive Officer and General Manager of the Human Resources Division, Mitsubishi UFJ Financial Group, Inc.
Keiko Kitamura	Reelection Outside Independent Officer		○						Currently Honorary Professor, Chuo University (Previously Dean, Faculty of Commerce, and Vice President, Chuo University)
Masashi Kaneko	Reelection Outside Independent Officer			○					Currently Attorney at law

Note: The above table does not indicate all of the skills and experience of each candidate.

2. Criteria for Determining the Independence of Outside Directors

Keio Corporation (hereafter, the “Company”) deems Outside Directors to whom none of the following criteria apply to be independent.

1. A business executor (Note 1) at the Company or an affiliated company (hereafter, the “Group”) at present or in the past ten (10) years;
2. An entity for whom the Group is an important business partner (Note 2) or its business executor;
3. An important business partner of the Group (Note 3), or its business executor;
4. A major shareholder (Note 4) of the Group, or its business executor;
5. A major lender (Note 5) for the Group, or its business executor;
6. A person who is employed with the audit firm serving as the Group’s Accounting Auditor;
7. A consultant, lawyer, certified public accountant, tax specialist, or other (a person affiliated with the particular group in the event that the entity receiving the assets is a group) who receives or has received a large amount of money or other assets (Note 6) from the Group excluding a director’s remuneration;
8. An organization that has received a large contribution exceeding a certain amount (Note 7) from the Group, or its business executor;
9. In the event that the Group’s full-time Director or full-time Audit & Supervisory Board Member also serves as an outside director or outside audit & supervisory board member of another company, the officer in question serves as a business executor at that company, that company’s parent company, or a subsidiary;
10. A person to whom (2) through (9) above have applied in the past three (3) years; or
11. The spouse of a person to whom (1) through (10) above apply who has an important position (Note 8) or a relative within two degrees of that person.

- Notes:
1. A business executor refers to a director, executive officer, corporate officer, staff executing business, a manager, or other equivalent person and employee of a corporation or other group.
 2. An entity or its business executor for whom the Group is an important business partner refers to a person or company that received payments from the Group equivalent to 2% or more of the consolidated sales of that party in the most recent business year.
 3. An important business partner of the Group refers to a person or company who pays to the Company an amount equivalent to 2% or more of the Company’s consolidated sales in the most recent business year.
 4. A major shareholder refers to someone who holds 10% or more of the voting rights in the Company directly or indirectly.
 5. A major lender refers to a counterparty that is essential for the Group’s financing and on whom the Group depends to the extent that it has no alternatives.
 6. A large amount of money or other assets refers to an amount of money or assets exceeding ¥10 million per year, other than compensation for directors, on average over the past three (3) business years (in the event that the person receiving the assets is a corporation, association, or other group, an amount of money or assets exceeding 2% of that group’s consolidated sales on average over the past three (3) business years).
 7. A large contribution exceeding a certain amount refers to contributions equivalent to ¥10 million per year on average over the past three (3) years or 30% of the average annual total costs of that organization, whichever is higher.
 8. An important position refers to Director (excluding Outside Director), Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member), Executive Officer, and a manager at the rank of General Manager and higher.

Proposal 5: Determination Regarding Adoption of the Basic Policy Regarding Countermeasures to Large-Scale Acquisitions of the Company’s Shares (Takeover Defense Measures)

The “Basic Policy regarding Countermeasures to Large-Scale Acquisitions of Company Shares (Takeover Defense Measures)” approved by the 98th Ordinary General Meeting of Shareholders held on June 27, 2019 (the “Former Basic Policy”) and the “Plan for Countermeasures to Large-Scale Acquisitions of Company Shares (Takeover Defense Measures)” (the “Former Plan”) adopted by resolution of the Board of Directors on the same day will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, taking into account social and economic developments since the adoption of the Former Plan, the Company proposes to seek the shareholders’ approval pursuant to Article 18 of the Company’s Articles of Incorporation to revise and approve the “Basic Policy Regarding Countermeasures to Large-Scale Acquisitions of the Company’s Shares (Takeover Defense Measures)” as provided for in Section III below (the basic policy so revised, the “Basic Policy”) as “measures to prevent decisions on the Company’s financial and business policies from being controlled by persons deemed inappropriate” (Article 118, Item 3(ii)(2) of the Enforcement Regulations of the Companies Act) in light of the “Basic Policy on Persons Who Control Decisions on the Company’s Financial and Business Policies” (as provided for in the main text of Item 3 of Article 118 of the Enforcement Regulations of the Companies Act) as provided for in Section I below.

In determining the content of the Basic Policy, no substantial changes were made from the former Basic Policy.

(Reference) Outline of this Proposal

This outline is included as a reference to aid in understanding the outline of the takeover defense measures to be introduced by the Company under the Basic Policy. For the details, please refer to the body of the proposal on pages 28 to 41

1. Main idea underlying the Company’s Takeover Defense Measures

The Company considers it extremely important to achieve the following matters for the mid- to long-term in order for the Company group to enhance its corporate value and the common interests of its shareholders.

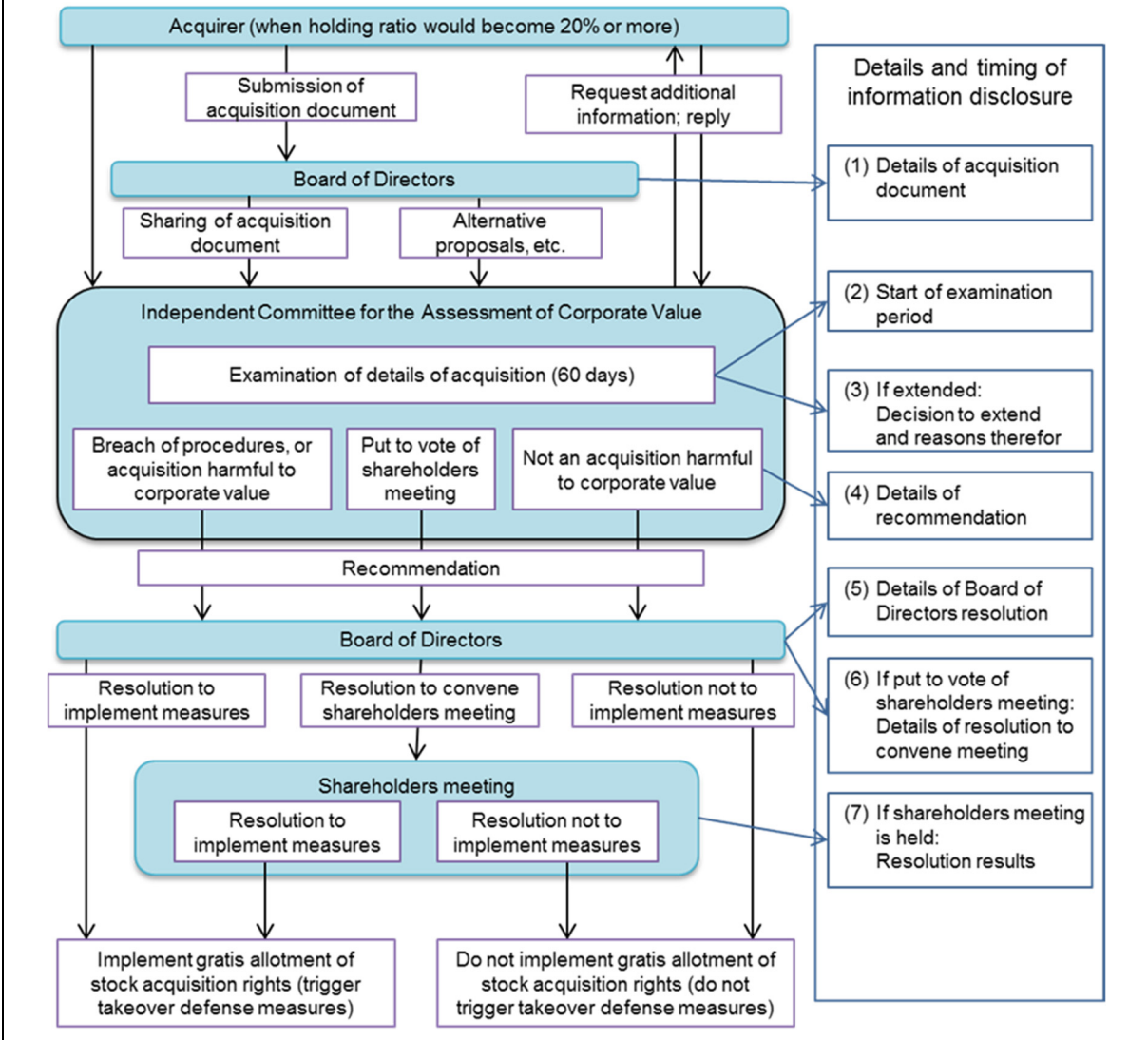
Matters to be achieved for the mid- to long-term in order for the Company group to enhance its corporate value and the common interests of its shareholders

Establish the Company group as the “Top Brand in Trust” by ensuring “safe transportation,” “stable management,” and “sustainable business.”

Achieve integrated business management that will bring out our collective strength through organic measures in each business field by the multi-faceted expansion of businesses that are highly related to those established along and around our rail lines.

The Company will not necessarily reject a large-scale acquisition of Company shares if the acquisition would contribute to the Company group’s corporate value and the common interests of its shareholders. However, there are some forms of acquisition that do not benefit corporate value and the shareholders’ common interests. Therefore, the Company believes it is necessary to develop a framework (Takeover Defense Measures) for deterring acquisitions that are detrimental to the Company’s corporate value and the shareholders’ common interests by securing the necessary time and information for shareholders to decide whether or not to accept the proposed acquisition and by enabling the Board of Directors to negotiate with the large-scale acquirer for the benefit of the shareholders when such acquisitions arise.

2. Diagram of the Company's Takeover Defense Measures (Flow of Main Procedures)



3. Features of the Company's Takeover Defense Measures

As set out below, the takeover defense measures to be introduced by the Company ensure the corporate value of the Company and the common interests of its shareholders and is not intended to entrench the Company's executives.

- (i) **Satisfying the Three Principles Set Out in the "Guidelines Regarding Takeover Defense"**
The Basic Policy satisfies the three principles (the principle of protecting and enhancing corporate value and shareholders' common interests, the principle of prior disclosure and shareholders' intent, and the principle of ensuring the necessity and reasonableness) set out in the "Guidelines Regarding Takeover Defense for the Purposes of Ensuring and Enhancing Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.
- (ii) **Structure for Reflecting the Intent of Shareholders**
The Basic Policy is approved by a resolution of the shareholders meeting, and the effective period is approximately three years. Even during the effective period, the Basic Policy can be abolished by a resolution of the shareholders meeting or the Board of Directors. Additionally, as the term of office of the Company's Directors (Excluding Directors who are Audit and Supervisory Committee Members) is one year, the intent of the shareholders can be reflected through annual director elections. Furthermore, the Company will ask the shareholders meeting to resolve on whether to trigger countermeasures if the Company finds it necessary to have the shareholders decide.
- (iii) **Structure to Emphasize the Decisions of Highly Independent Outside Directors**
As decisions with respect to the operation of the Basic Policy are substantially made by the Independent Committee for the Assessment of Corporate Value, which is composed only of members who are independent from the management involved in the execution of businesses of the Company, the Company's Board of Directors cannot arbitrarily operate the Basic Policy. Additionally, the Independent Committee for the Assessment of Corporate Value discloses an outline of its decisions to the shareholders, and this ensures that the Basic Policy will be operated according to the corporate value of the Company and the common interests of its shareholders.
- (iv) **Objective Requirements Must Be Satisfied to Trigger Countermeasures against Large-Scale Acquirers**
Countermeasures against a large-scale acquirer cannot be triggered unless the prescribed objective requirements have been satisfied.
- (v) **No Dead-Hand or Slow-Hand Takeover Defense Measures**
The takeover defense measures to be introduced by the Company under the Basic Policy are not dead-hand takeover defense measures (in which even if a majority of the members of the Board of Directors are replaced, the triggering of the measures cannot be stopped) or slow-hand takeover defense measures (in which it takes time to stop the triggering of the measures due to not being able to replace all members of the Board of Directors at once).

End

I. Overall Policy on Persons Who Control Decisions on the Company's Financial and Business Policies

In order to enhance the Company group's corporate value and the common interests of its shareholders, the Company group believes it is essential to ensure "safe transportation," "stable management," and "sustainable business" and, at the same time, to establish the Company group as the "Top Brand in Trust" with the support of our customers, business partners, and other stakeholders. For our group, it is extremely important to have an integrated business management that will bring out our collective strength through an organic combination of each business field by the multi-faceted expansion of businesses that are highly related to those established along and around our rail lines, thereby enhancing value there and endeavoring to establish the Keio brand while acquiring the trust of local communities. We believe that if these elements are not ensured and enhanced over the mid to long term by persons who intend to acquire the Company's shares, the Company's corporate value and the common interests of its shareholders will be harmed. The Company therefore believes that the persons who control decisions on the Company's financial and business policies need to be persons who understand the importance of ensuring and enhancing the Company's corporate value and the common interests of its shareholders over the mid to long term.

The Company will not reject a large-scale acquisition of Company shares out of hand if the acquisition would contribute to the Company group's corporate value and the common interests of its shareholders. Nonetheless, there are some forms of share acquisition that do not benefit corporate value and the shareholders' common interests, such as those with a purpose that would cause clear harm thereto. The Company also believes that it is not always easy for our shareholders to fully understand the elements that comprise the corporate value of the Company, to consider the acquisition from a mid- to long-term perspective, and to appropriately determine the effects of the acquisition on the Company's corporate value and the shareholders' common interests in a short period of time.

Taking into account the matters described above, the Company believes it necessary to develop a framework for deterring acquisitions that are detrimental to the Company's corporate value and the shareholders' common interests by securing the necessary time and information for shareholders to decide whether or not to accept the proposed acquisition and enable the Board of Directors to present an alternative proposal or to negotiate for the benefit of the shareholders in order to respond to acquisitions of the Company's shares when such acquisitions arise.

II. Special Measures to Make Effective Use of the Company's Assets, Form an Appropriate Corporate Group, and Otherwise Realize the Overall Policy

1. Measures to Contribute to the Company's Corporate Value

The Company group strives to establish itself as the "Top Brand in Trust," as set forth in the Keio Group Philosophy, and endeavors to conduct its management in such a way that it contributes to the improvement of its corporate value and the common interests of its shareholders through such means as strengthening the competitiveness of the Company group, ensuring financial soundness, complying with laws, ordinances, and ethical standards, and engaging in activities to contribute to local communities. In order to achieve sustainable growth for the entire group, the Company group will continue the following policies by maintaining and utilizing the management resources, both tangible and intangible, that it has cultivated over many years.

First, as a public transportation company that provides an element of infrastructure that is indispensable to society, the Company group will make ensuring safety its most important task and will fulfill its social responsibilities from a mid- to long-term perspective.

Second, the Company group will engage in multi-faceted efforts to promote the development of its operation sites and to vitalize local communities so that the areas along the Company's rail lines can maintain their energy and vitality into the future.

Third, the Company group will strive to expand and grow into the future by continually implementing policies that fully respond to the diversifying needs and changing lifestyles of our customers.

Fourth, the Company group as a whole will continue measures to fulfill its corporate social responsibilities, including compliance with laws and ordinances and consideration towards the global environment.

Fifth, the Company group will develop its employees, who are the actual bearers of responsibility for “transportation safety,” the source of the group’s corporate value, from a mid- to long-term perspective and will firmly maintain a corporate culture that places the greatest importance on “ensuring safety.”

Sixth, the Company group will strive to implement and complete various measures, such as investment for growth and the selection and concentration of Company businesses based on capital policy that takes the business sustainability into consideration.

2. Measures to Strengthen Corporate Governance

Pursuant to the “Basic Policy on Corporate Governance” established by the Company’s Board of Directors, the Company has been promoting the enhancement and strengthening of its corporate governance through prompt and decisive decision-making that ensures transparency and fairness based on the Keio Group Philosophy, thereby securing the trust from its shareholders and all other people with whom it is connected and to achieve sustainable growth and increased mid- to long-term corporate value for the Company group.

The Board of Directors makes decisions on any material matters regarding management as well as matters prescribed in laws and ordinances and oversees the execution of business. In June 2020, the Company shifted to a company with an Audit and Supervisory Committee as an effort to further enhance its corporate governance system. The Company elected people who have experience and insight as managers of major financial institutions as Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) and also elected three directors as Outside Directors who are Audit and Supervisory Committee Members to strengthen its management oversight function. In addition, the Company established the Governance Committee and the Nomination and Compensation Committee as advisory bodies to the Board of Directors and endeavors to enhance transparency and fairness in its management.

In order to increase the effectiveness of audits by the Audit and Supervisory Committee, highly independent directors with significant expertise in finance, accounting and legal affairs have been elected as Audit and Supervisory Committee Members, and the Company has established systems for cooperation between the Audit and Supervisory Committee and the financial auditor, internal audit department, and sections in charge of internal control. Audit and Supervisory Committee is in compliance with laws, ordinances and other standards and conducts audits based on the basic policies prescribed by the Audit and Supervisory Committee, and Directors who are Audit and Supervisory Committee Members attend and express their views as necessary at Board of Directors meeting and other important meetings.

Furthermore, the Company endeavors to enhance group governance systems through regular meetings of the Group Management Council, Keio Group Presidents Council, Group Audit & Supervisory Board, and other such bodies.

III. A Measure to Prevent Decisions on the Company’s Financial and Business Policies from being Controlled by Persons Viewed as Inappropriate according to the Overall Policy (i.e., the Basic Policy Regarding Countermeasures to Large-Scale Acquisitions of the Company’s Shares (Takeover Defense Measures), the “Basic Policy”)

1. Outline of the Basic Policy

For the purpose of ensuring and enhancing its corporate value and the common interests of its shareholders, the Basic Policy of the Company is to adopt countermeasures to large-scale acquisitions of its shares (takeover defense measures under ordinary times) by (i) separately resolving at a meeting of its Board of Directors specific measures (the “Plan”) in accordance with the details set out in 2 “Framework of the Plan” below, and (ii) widely announcing the details of the Plan such as by including them in timely disclosure to the financial instruments exchanges on which the Company is listed, in disclosure of statutory disclosure documents such as the Company’s business report, or on its website, in order to warn in advance any person who intends to acquire or otherwise obtain the Company’s shares that there are procedures to be followed by such persons and that the Company may implement a gratis allotment of stock acquisition rights (shinkabu yoyakuken musho wariate) with discriminatory exercise conditions and a call provision.

2. Framework of the Plan

(1) Plan Outline

The Company will require any person effecting or proposing to effect an acquisition as set out in (2) below (the “Acquirer”) to effect the acquisition in accordance with the procedures set out in (3) below, and will secure provision of information relating to, and time for examination of, the acquisition. In addition, the Company may, if the situation falls under any of the items set out in (5)(i) below, implement a gratis allotment, to all shareholders at the time excluding the Company, of stock acquisition rights (shinkabu yoyakuken mushou wariate) with terms and conditions set out in (5)(iv) below (the “Stock Acquisition Rights”), including (a) an exercise condition that does not allow the Acquirer to exercise the rights (i.e., a discriminatory exercise condition) and (b) a call provision to the effect that the Company may acquire the stock acquisition rights in exchange for the Company’s shares from persons other than the Acquirer. The Company has also established an Independent Committee for the Assessment of Corporate Value (the “Independent Committee”) (as defined in (6) below) in order to eliminate arbitrary decisions by the Board of Directors of the Company with respect to matters such as the implementation or non-implementation or otherwise of a gratis allotment of Stock Acquisition Rights under the Plan.

(2) Acquisition Subject to the Plan

The acquisition subject to the Plan is any acquisition that falls under (i) or (ii) below or any similar acts.

- (i) An acquisition that would result in the holding ratio of share certificates, etc. (kabuken tou hoyuu wariai)¹ of a holder (hoyuusha)² amounting to at least 20% of the share certificates, etc. (kabuken tou)³ issued by the Company; or
- (ii) A tender offer (koukai kaitsuke)⁴ that would result in the owning ratio of share certificates, etc. (kabuken tou shoyuu wariai)⁵ of a person conducting the tender offer and the owning ratio of share certificates, etc. of persons in special relationship (tokubetsu kankei-sha)⁶ totaling at least 20% with respect to the share certificates, etc. (kabuken tou)⁷ issued by the Company.

(3) Procedures to be Followed by Acquirer upon Acquisition

Unless otherwise approved by the Board of Directors, an Acquirer, before making acquisitions must submit to the Company in a form prescribed by the Company and in the Japanese language a document (the “Acquisition Document”) which includes information (the “Essential Information”) such as details of the Acquirer, purpose, method and terms of the acquisition, the basis for calculation of the purchase price of the acquisition, financial support for the acquisition, post-acquisition management policy for the Company group, or any other information that the Board of Directors prescribes when making its determination regarding adoption of the Plan, as well as an undertaking that the Acquirer will comply with the procedures set out in the Plan upon the acquisition.

If the Board of Directors receives the Acquisition Document as set out above, it will promptly provide it to the Independent Committee. If the Independent Committee determines that the Acquisition Document does not include sufficient Essential Information, it may request the Acquirer to additionally submit information by setting a reply period, and the Acquirer is required to additionally submit such information within such time period.

In order for the Independent Committee, from a perspective of ensuring and enhancing the Company’s corporate value and the common interests of its shareholders, to compare the Acquisition Document and the Essential Information with the management plan prepared by the Board of Directors and the company valuation conducted by the Board of Directors and to examine alternative proposals by the Board of Directors to the shareholders of the Company, the Independent Committee may also request that the Board of Directors submit its view on the Acquirer’s acquisition terms, materials supporting such view, alternative proposals, and any other information and materials that the Independent Committee considers necessary, by setting a reply period (not in excess of 60 days, in principle) considering the necessary period of time, such as for the Board of Directors to collect information and examine the company valuation (including examination by third-party experts as necessary).

(4) Examination of Acquisition Terms, Negotiation with the Acquirer and Presentation of Alternative Proposals by the Independent Committee

If the Independent Committee determines that sufficient information was provided to commence its examination under (3) above, it will set an examination period of a maximum of 60 days (and if the Independent Committee does not reach a recommendation under (5)(i) or (5)(ii) below by the end of such period, the Independent Committee may extend the examination period for a maximum of 30 days as necessary; these periods collectively, “Examination Period”).

The Independent Committee will evaluate or otherwise examine the terms of the acquisition by the Acquirer during the Examination Period based on the information and materials provided by the Acquirer and the Board of Directors from a perspective of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders. Further, the Independent Committee will, if necessary to enhance the proposed terms of acquisition, directly or indirectly through the Board of Directors or other organs discuss and negotiate with the Acquirer, and/or present to shareholders any alternative proposals of the Board of Directors. If, during the Examination Period, the Independent Committee directly or indirectly through the Board of Directors requests the Acquirer to provide materials for examination or any other information, or to discuss and negotiate with the Independent Committee, the Acquirer must promptly respond to such request.

The Independent Committee may at the cost of the Company obtain advice from third-party experts (including financial advisers, attorneys, certified public accountants, or any other experts).

(5) Implementation of the Gratis Allotment of Stock Acquisition Rights

The Company will decide whether to implement or not a gratis allotment of Stock Acquisition Rights after receiving a recommendation by the Independent Committee as follows.

(i) Recommendation for Implementation by the Independent Committee

If the Independent Committee determines that an acquisition falls under any of the items below, it will recommend to the Board of Directors to implement a gratis allotment of Stock Acquisition Rights. However, even in such a case, if the Independent Committee believes it is reasonable to obtain a resolution at a shareholders meeting on whether to implement the gratis allotment of Stock Acquisition Rights, it will recommend the Board of Directors to convene a shareholders meeting and submit to the shareholders’ vote a proposal on whether to implement a gratis allotment of Stock Acquisition Rights.

(a) If the Acquirer does not comply with the procedures for securing the provision of information and the time for examination for considerations set out in (3) above or other procedures prescribed in the Plan;

(b) If, as a result of evaluating, considering or otherwise examining the information, materials or other documents provided by the Acquirer and the Board of Directors, and discussion, negotiation or other communication with the Acquirer, the Independent Committee determines that the acquisition by the Acquirer falls under any of the items (A) through (G) below and that it is reasonable to implement a gratis allotment of Stock Acquisition Rights.

(A) An acquisition that threatens to cause clear harm to the corporate value of the Company and the common interests of its shareholders through the following or similar acts thereto:

- a. Buyout of share certificates, etc. to require the Company to buy back such share certificates, etc. at a high price.
- b. Conduct of management that exploits the Company group for the Acquirer, such as temporary control of the Company’s management for the low-cost acquisition by the Acquirer of the material assets of the Company group.
- c. Exploitation of the Company group’s assets to secure or repay debts of the Acquirer or its group company.

- d. Temporary control of the Company's management to dispose of high-value assets that have no current relevance to the Company group's business and paying temporarily high dividends from the profits of such disposal, or selling the shares at a high price taking advantage of the opportunity from the sudden rise in share price created by such temporary high dividends.
- (B) An acquisition that threatens to have the effect of coercing shareholders into selling share certificates, etc., such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers that do not offer to acquire all shares in the first step acquisition, and set acquisition terms in the second step that are unfavorable to shareholders or do not set clear terms for the second step).
- (C) An acquisition that does not provide reasonable time necessary for the Company to present alternative proposals against the acquisition.
- (D) An acquisition that does not sufficiently provide the Essential Information or any other information reasonably necessary for the shareholders to make a judgment on the details of acquisition terms.
- (E) An acquisition whose terms (including amount and type of consideration to be offered, the timing of acquisition, the legality of the acquisition method, the probability of the acquisition being effected, post-acquisition management policies dealing with the Company group's customers, business partners, employees or other stakeholders in the Company group) are inadequate or inappropriate in light of the Company's intrinsic value.
- (F) An acquisition that provides inadequate and inappropriate details of post-acquisition management policies and business plans proposed by the Acquirer, and thus threatens to cause significant impediments to securing the safety or public accessibility of the railway business or to securing customers' interests.
- (G) An acquisition that materially threatens to be contrary to the corporate value of the Company and the common interests of shareholders, by among others destroying relationships with the Company group's employees, business partners and the like or the Company group's corporate culture, which are indispensable to generate the Company's corporate value.

Notwithstanding the foregoing, even after the Independent Committee has already made a recommendation for the implementation of a gratis allotment of Stock Acquisition Rights, if the Acquirer withdraws the acquisition or the acquisition otherwise ceases to exist after the recommendation or if the Independent Committee determines that the acquisition by the Acquirer no longer falls under (a) or (b) above due to change in the facts or circumstances upon which the recommendation above was made, it may make a different decision including to cancel the gratis allotment of Stock Acquisition Rights or to acquire all Stock Acquisition Rights for no consideration and make a new recommendation to the Board of Directors.

(ii) Recommendation for Non-Implementation by the Independent Committee

If the Independent Committee determines that an acquisition by the Acquirer falls under neither (i)(a) or (i)(b) above, it will recommend to the Board of Directors for non-implementation of a gratis allotment of Stock Acquisition Rights.

However, even after the Independent Committee has already made a recommendation for the non-implementation of a gratis allotment of Stock Acquisition Rights, if the Independent Committee determines that the acquisition by the Acquirer falls under (i)(a) or (i)(b) above due to change in the facts or circumstances upon which the recommendation above was made, it may make a different decision including to implement the gratis allotment of Stock Acquisition Rights and make a new recommendation to the Board of Directors.

(iii) Board of Directors Respecting the Recommendation by the Independent Committee

The Board of Directors will respect to the maximum extent any recommendation by the Independent Committee made in accordance with (i) and (ii) above, and, will promptly pass a resolution with respect to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights as the corporate body to make such decision under the Companies Act of Japan.

If the Board of Directors receives a recommendation from the Independent Committee to convene a shareholders meeting and submit to a vote a proposal on whether to implement a gratis allotment of Stock Acquisition Rights, it must, unless it is practically and significantly difficult to hold a shareholders meeting, promptly convene a shareholders meeting so that the meeting can be held as soon as practicably possible and submit to a vote a proposal on whether to implement a gratis allotment of Stock Acquisition Rights.

(iv) Action to be Taken by the Board of Directors after the Resolution at the Shareholders Meeting

If a shareholders meeting is convened following a recommendation by the Independent Committee and a proposal on whether to implement a gratis allotment of Stock Acquisition Rights is approved at the shareholders meeting, the Board of Directors will execute procedures necessary for the implementation of the gratis allotment of Stock Acquisition Rights in accordance with the resolution at the shareholders meeting. (If the shareholders meeting resolves to delegate the Board of Directors to make decisions on matters with respect to the gratis allotment of Stock Acquisition Rights, then the Board of Directors will resolve on the implementation of a gratis allotment of Stock Acquisition Rights.) If the proposal on a gratis allotment of stock Acquisition Rights is rejected at the shareholders meeting, then the Board of Directors will pass a resolution for the non-implementation of the gratis allotment of Stock Acquisition Rights.

(v) Prohibited Period of Acquisition by the Acquirer

The Acquirer must not effect the acquisition until after the Board of Directors resolves to implement or not to implement the gratis allotment of Stock Acquisition Rights or, if a shareholders meeting set out above is to be held, until after the shareholders meeting passes a resolution in favor of or rejecting the proposal for a gratis allotment of Stock Acquisition Rights.

(vi) Major Terms of a Gratis Allotment of Stock Acquisition Rights

The major terms of a gratis allotment of Stock Acquisition Rights will be as described below.

(a) Number of Stock Acquisition Rights

The Company will implement a gratis allotment of Stock Acquisition Rights in a number equivalent to the final and total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) on the date of allotment (the "Allotment Date") that is separately determined by the Board of Directors or the shareholders meeting in the resolutions for the implementation of the gratis allotment of Stock Acquisition Rights (the "Gratis Allotment Resolution").

(b) Shareholders Eligible for Allotment

The Company will make a gratis allotment of the Stock Acquisition Rights to those shareholders of the Company, other than the Company, who are recorded in the Company's final register of shareholders on the Allotment Date, at a ratio of one Stock Acquisition Right for each share in the Company held by each such shareholder.

(c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The date of the gratis allotment of Stock Acquisition Rights will be such date as separately determined in the Gratis Allotment Resolution.

(d) Number of Shares to be Issued upon Exercise of the Stock Acquisition Rights

The number of shares⁸ in the Company to be issued upon exercise of each Stock Acquisition Right (which are book-entry transfer shares as provided for in Article 128,

Paragraph 1 of the Act on Book-Entry of Company Bonds, Shares, Etc. and to which the provisions of such Act apply) will, unless adjusted otherwise, be one share per Stock Acquisition Right.

(e) Amount of Contribution upon Exercise of the Stock Acquisition Rights

Contribution upon exercise of the Stock Acquisition Rights is cash, and the amount per share in the Company to be contributed upon exercise of the Stock Acquisition Rights will be such amount as separately determined in the Gratis Allotment Resolution within the range of a minimum of one yen and a maximum of any amount equivalent to one-half of the fair market value of one share in the Company.

(f) Exercise Period of the Stock Acquisition Rights

The commencement date will be the effective date of the gratis allotment of Stock Acquisition Rights or such date as separately determined in the Gratis Allotment Resolution, and the period will be such period from one month to two months as separately determined in the Gratis Allotment Resolution.

(g) Conditions for the Exercise of the Stock Acquisition Rights

A person falling under (A) through (F) below (collectively, “Non-Qualified Parties”) may not exercise the Stock Acquisition Rights in principle.

(A) Specified Large Holders⁹

(B) Joint Holders¹⁰ of (A) above

(C) Specified Large Purchasers¹¹

(D) Persons in special relationship with (C) above

(E) Any assignee of or successor to the Stock Acquisition Rights of any person falling under (A) through (D) without the approval of the Board of Directors

(F) Any affiliated party¹² of any person falling under (A) through (E)

(h) Restrictions on Assignment of the Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires the approval of the Board of Directors.

(i) Events of Acquisition of the Stock Acquisition Rights by the Company

(A) At any time on or before the day immediately prior to the commencement date of the Exercise Period of the Stock Acquisition Rights, the Company may acquire all of the Stock Acquisition Rights for no consideration.

(B) On such date as separately determined by the Board of Directors, the Company may acquire all of the Stock Acquisition Rights that have not been exercised and are held by a person other than Non-Qualified Parties and, in exchange, deliver one share of common stock in the Company for each Stock Acquisition Right (unless adjusted otherwise). If, on or after the date upon which such acquisition has taken place, the Board of Directors recognizes the existence of any person other than Non-Qualified Parties that holds Stock Acquisition Rights, the Company may separately acquire all of the Stock Acquisition Rights held by those persons. The Company will carry out the same procedures thereafter.

(C) Events and conditions for acquisition of the Stock Acquisition Rights by the Company other than the above will be separately determined in the Gratis Allotment Resolution.

(j) Other Terms

Other terms of the Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

(6) Independent Committee

The Independent Committee is composed of at least three members who are independent from the management involved in the execution of the businesses of the Company. The members will be selected, and publicly announced, by the Board of Directors from among the Outside Directors of the Company or third-party experts (who must be experienced corporate managers, former public officials, persons with knowledge of the investment banking industry, attorneys, certified public accountants, researchers or scholars, or persons of similar qualifications).

For resolutions of the Independent Committee to pass will require, as a general rule, a majority vote when all members of the Independent Committee are in attendance. However, in unavoidable circumstances such that a member is unable to attend due to an incident, a resolution may be passed with a majority vote when a majority of the members of the Independent Committee is in attendance.

Any other matters with respect to the Independent Committee will be separately determined by the Board of Directors.

(7) Information Disclosure

(a) Progress of Procedure Set Out in the Plan

The Board of Directors or the Independent Committee will disclose information on matters that the Independent Committee considers appropriate including the matters set out below promptly upon such matters occurring.

- (A) The fact that an Acquirer has emerged
- (B) The fact that the Acquisition Document has been submitted by the Acquirer and an outline of the content thereof
- (C) The fact that the Essential Information has been submitted by the Acquirer and an outline of the content thereof
- (D) The fact that the Examination Period has commenced
- (E) The fact that a resolution to extend the Examination Period has passed, as well as an outline of the reason for the extension
- (F) The fact that the Independent Committee made a recommendation, as well as an outline of the reason for the recommendation and an outline of the content of the recommendation (or, if the Independent Committee made a new recommendation due to change in the facts or circumstances upon which the recommendation was made, the fact that the Independent Committee made a new recommendation, an outline of the reason for the new recommendation and an outline of the content of the new recommendation)

(b) Implementation or Non-Implementation of a Gratis Allotment of Stock Acquisition Rights

The Board of Directors will disclose information on the matters set out below promptly upon such matters occurring.

- (A) If the Board of Directors passes a resolution for the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights, an outline of the resolution and other matters that the Board of Directors considers appropriate
- (B) If the Board of Directors passes a resolution to convene a shareholders meeting to which a proposal on whether to implement a gratis allotment of Stock Acquisition Rights is submitted to a vote, an outline of the resolution and other matters that the Board of Directors considers appropriate
- (C) If the shareholders meeting passes a resolution for the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights, an outline of the resolution and other matters that the Board of Directors considers appropriate

(8) Abolishment of the Plan

If the Board of Directors passes a resolution to abolish the Plan, the Plan will be abolished at the time of that resolution.

(9) Miscellaneous

The details of the Plan other than these set out in (1) through (8) above will be as separately determined by the resolution in which the Board of Directors adopts the Plan.

3. Effective Period of the Basic Policy

The Effective Period of the Basic Policy will be the period until the conclusion of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within three years of the conclusion of this Ordinary General Meeting of Shareholders.

However, if, even before the expiration of the Effective Period, a shareholders meeting of the Company passes a resolution to revise or abolish the Basic Policy, the Basic Policy will be revised or abolished at the time of that resolution in accordance therewith, in which case, the Plan will promptly be revised in line with the revised Basic Policy or abolished.

IV. Impact on Shareholders and Investors; the Board of Directors' Decision Regarding Above Measures and Reason therefor

The details of the Basic Policy are as described in Section III above. The impact on shareholders and investors and the Board of Directors' decision and the reason therefor regarding the abovementioned measure are as follows. The Company asks the shareholders to vote in favor of this Proposal by taking into account the following factors as well.

1. Impact on Shareholders and Investors

(1) Impact on Shareholders and Investors at the Time when the Basic Policy and the Plan are adopted

As gratis allotment of Stock Acquisition Rights will not be implemented at the time when the determinations are made with respect to the adoption of the Basic Policy and the Plan, they will have no direct and specific impact on the rights or interests of shareholders and investors.

(2) Impact on Shareholders and Investors at the Time of the Gratis Allotment of Stock Acquisition Rights

If the determination with respect to the adoption of the Plan is made and a gratis allotment of Stock Acquisition Rights in accordance with the procedures set out in the Plan is implemented, the Company will make a gratis allotment of Stock Acquisition Rights to those shareholders of the Company (other than the Company) as of the Allotment Date that is separately determined in the Gratis Allotment Resolution for one Stock Acquisition Right per share in the Company held by those shareholders. If the Company's shareholders do not pay the amount equivalent to the prescribed exercise price or otherwise do not carry out procedures in relation to the exercise of the Stock Acquisition Rights within the Exercise Period thereof, the shares they hold in the Company may be diluted by the exercise of Stock Acquisition Rights by other shareholders. However, there may be a case where the Company acquires the Stock Acquisition Rights of all shareholders other than Non-Qualified Parties and, in exchange, deliver shares in the Company if so determined by the Board of Directors. If the Company carries out such acquisition procedures, all shareholders other than Non-Qualified Parties will come to receive shares in the Company as a consideration for the acquisition by the Company of the stock Acquisition Rights without exercising their Stock Acquisition Rights and paying an amount equivalent to the exercise price, and therefore no dilution of the value of the shares in the Company they hold will occur.

In addition, if, even after the Company's Board of Directors passes a Gratis Allotment Resolution, the Company cancels the gratis allotment of Stock Acquisition Rights or acquires all the Stock Acquisition Rights for no consideration, no dilution of the value per share in the Company held by the shareholders will occur, and it would be likely that some shareholders or investors who have sold or bought or otherwise disposed of the shares in the Company based on the premises that such dilution would occur may suffer an unforeseen damages as a result of a fluctuation in the share price.

2. The Board of Directors' Decision and Reasons therefor with respect to the Above Measures

(1) Special Measures to Realize the Overall Policy in Section I above (i.e., Measures set out in Section II above)

The measures set out in section II above that are to enhance its corporate value and strengthen its corporate governance have been established as specific measures to continuously and sustainably enhance the Company's corporate value and the common interests of its shareholders, and would contribute to realize the overall policy set out in Section I above.

Therefore, these measures are in line with the overall policy set out in Section I and the common interests of the Company's shareholders, and are not for the purpose of entrenching the status of the Company's executives.

- (2) A Measure to Prevent Decisions on the Company's Financial and Business Policies from being Controlled by Persons Viewed as Inappropriate according to the overall policy in Section I above (i.e., Measures set out in Section III above, the Basic Policy)

- (i) The Basic Policy is in line with the overall policy set out in Section I

The Basic Policy sets a framework for maintaining the corporate value of the Company and the common interests of its shareholders in case of the acquisition of shares of the Company by ensuring that necessary time and information is made available for the shareholders to decide whether or not to accept such acquisition and for the Board of Directors to present an alternative proposal to the shareholders, and by enabling the Board of Directors to discuss or negotiate with the Acquirer for the benefit of the shareholders, and therefore it is in line with the overall policy set out in Section I.

- (ii) Such a Measure is not Detrimental to the Common Interests of the Company's Shareholders and is not Intended to Entrench the Company's Executives

The Company believes that, when viewed in light of the overall policy set out in Section I above, the Basic Policy is not detrimental to the common interests of the Company's shareholders and is not intended to entrench the Company's executives

- (a) Satisfying the Requirements of the Guidelines for Takeover Defense Measures

The Basic Policy satisfies the three principles set out in the Guidelines Regarding Takeover Defense for the Purposes of Ensuring and Enhancing Corporate Value and Shareholders' Common Interests released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

- (b) Placing High Value on the Intent of Shareholders

The Basic Policy will be determined when approved at this Ordinary General Meeting of Shareholders as described above. Further, as set out above in III.3. "Effective Period of the Basic Policy," the Basic Policy is subject to a so-called sunset clause setting the Effective Period as approximately three years and the shareholders meeting may, even before the expiration of the Effective Period of the Basic Policy, resolve to revise or abolish the Basic Policy. The Board of Directors, the members of which are composed of those Directors who are elected by the Company's shareholders meeting, may also abolish the Plan before the expiration of the Effective Period by passing a resolution to that effect. Accordingly, the intent of the Company's shareholders is duly reflected in the Basic Policy as well as in the Plan as determined in accordance therewith.

- (c) Emphasis on the Decisions of Outside and Independent Persons and on Information Disclosure

As set out in III.2.(5) "Implementation of the Gratis Allotment of Stock Acquisition Rights" and III.2.(6) "Independent Committee" above, the Basic Policy states that decisions with respect to matters such as the implementation of the gratis allotment of Stock Acquisition Rights must substantially be made by the Independent Committee that is composed only of members who are independent from the management involved in the execution of businesses of the Company. As such, the Independent Committee will maintain strict oversight of the Company's Board of Directors so that the Board of Directors does not arbitrarily implement a gratis allotment of Stock Acquisition Rights. In addition, an outline of its decisions will be disclosed to the shareholders as set out in III.2.(7) "Information Disclosure." Accordingly, it is ensured that the Plan will be

operated according to the corporate value of the Company and the common interests of its shareholders.

Please note that if this Ordinary General Meeting of Shareholders votes in favor of the Basic Policy and the Board of Directors makes a determination to adopt the Plan, the following four members, namely, Outside Directors Atsushi Takahashi, Keiko Kitamura, Masashi Kaneko and Hiroshi Takekawa, will assume positions as members of the Independent Committee. Please see their profiles in 3. “Profiles of the Candidates for the Members of the Independent Committee for the Assessment of Corporate Value” below. All four candidates are registered with Tokyo Stock Exchange, Inc. as independent officers.

(d) Establishment of Reasonable and Objective Requirements

As set out above in Section III.2.(5)(i) “Recommendation for Implementation by the Independent Committee,” the Basic Policy provides that the gratis allotment of Stock Acquisition Rights will not be implemented unless prescribed reasonable and objective detailed requirements have been satisfied, and it can be said that this ensures a structure to eliminate arbitrary implementation by the Company’s Board of Directors.

(e) Obtaining Opinions of Third-Party Experts

As set out above in III.2.(4) “Examination of Acquisition Terms, Negotiation with the Acquirer and Presentation of Alternative Proposals by the Independent Committee,” if an Acquirer emerges, the Independent Committee may obtain advice from independent third-party experts (including financial advisers, attorneys, certified public accountants or any other experts) at the Company’s expense. This mechanism even further ensures the fairness and objectivity of the determinations made by the Independent Committee.

(f) Term of Office of the Directors (excluding Directors who are Audit and Supervisory Committee Members) is One Year

The Company has set the term of office of the Directors (excluding Directors who are Audit and Supervisory Committee Members) to be one year. Therefore, even during the Effective Period of the Basic Policy, the shareholders may reflect their intentions regarding the Basic Policy and the Plan when they elect the Directors of the Company each year.

(g) No Dead-Hand or Slow-Hand Takeover Defense Measures

As set out in III.2.(8) “Abolishment of the Plan,” the Plan is designed so that the Plan may be abolished by a resolution by the Board of Directors composed of Directors who are elected at the Company’s shareholders meeting. Therefore, the Plan is not a dead-hand takeover defense measure (a takeover defense measure in which even if a majority of the members of the Board of Directors are replaced, the triggering of the measure cannot be stopped). Also, as the Company has not adopted a system of staggered terms of office for the Board of Directors, the Plan is not a slow-hand takeover defense measure either (a takeover defense measure in which triggering takes time to stop due to the system in which all members of the Board of Directors cannot be replaced at once).

3. Profiles of the Candidates for the Members of the Independent Committee for the Assessment of Corporate Value

Atsushi Takahashi Outside Director

Brief Profile:

Born in 1941

Apr. 1965 Joined Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited)

Mar. 1998 President and Representative Director of Sumitomo Trust and Banking Co., Ltd.

June 2005 Chairman and Representative Director of Sumitomo Trust and Banking Co., Ltd.

- Apr. 2011 Senior Adviser of Sumitomo Trust and Banking Co., Ltd.
- June 2011 Outside Director of the Company (to present)
- June 2011 Independent Committee for the Assessment of Corporate Value of the Company (to present)
- Apr. 2012 Senior Adviser of Sumitomo Mitsui Trust Bank, Limited
- July 2016 Senior Corporate Adviser of Sumitomo Mitsui Trust Bank, Limited
- July 2018 Honorary Adviser of Sumitomo Mitsui Trust Bank, Limited (to present)

Note: Mr. Atsushi Takahashi is an Outside Director of the Company under Article 2, Item (xv) of the Companies Act of Japan.
 There is no special interest between Mr. Atsushi Takahashi and the Company.
 The Company has designated Mr. Atsushi Takahashi as an Independent Director as defined in the rules of the Tokyo Stock Exchange and registered him with Tokyo Stock Exchange, Inc.

Keiko Kitamura **Outside Director who is Audit and Supervisory Committee Member**

Brief Profile:

Born in 1945

- Apr. 1981 Professor, Faculty of Commerce, Chuo University
- Nov. 1997 Dean, Faculty of Commerce, Chuo University
- July 2001 Director of Financial Accounting Standards Foundation
- Apr. 2004 Vice President of Chuo University
- June 2007 Independent Committee for the Assessment of Corporate Value of the Company (to present)
- June 2011 Director of Financial Accounting Standards Foundation
- June 2014 Outside Audit and Supervisory Board Member of the Company
- Apr. 2016 Honorary Professor, Chuo University (to present)
- June 2020 Outside Director, Audit and Supervisory Committee Member (to present)

Note: Ms. Keiko Kitamura is an Outside Director of the Company under Article 2, Item (xv) of the Companies Act of Japan.
 There is no special interest between Ms. Kitamura and the Company.
 The Company has designated Ms. Kitamura as an Independent Director as defined in the rules of the Tokyo Stock Exchange and registered her with Tokyo Stock Exchange, Inc.

Masashi Kaneko **Outside Director who is Audit and Supervisory Committee Member**

Brief Profile:

Born in 1954

- Apr. 1986 Admitted to practice law in Japan (registered with Tokyo Bar Association) (to present)
- June 2006 Committee Chair of the Special Committee on Measures against Racketeering through Intercession in Civil Disputes of the Japan Federation of Bar Associations
- Apr. 2008 Vice-President of the Tokyo Bar Association
- June 2014 Outside Audit & Supervisory Board Member of the Company
- June 2014 Independent Committee for the Assessment of Corporate Value of the Company (to present)
- June 2020 Outside Director, Audit and Supervisory Committee Member (to present)

Note: Mr. Masashi Kaneko is an Outside Director of the Company under Article 2, Item (xv) of the Companies Act of Japan.
 There is no special interest between Mr. Kaneko and the Company.
 The Company has designated Mr. Kaneko as an Independent Director as defined in the rules of the Tokyo Stock Exchange and registered him with Tokyo Stock Exchange, Inc.

Hiroshi Takekawa Outside Director who is Audit and Supervisory Committee Member (full-time)

Brief Profile:

Born in 1964

Apr. 1988 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)

June 2015 Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)

July 2015 Executive Officer of Mitsubishi UFJ Financial Group, Inc.

June 2018 Outside Audit and Supervisory Board Member of the Company (full-time)

June 2018 Independent Committee for the Assessment of Corporate Value of the Company (to present)

June 2020 Outside Director, Audit and Supervisory Committee Member (full-time) (to present)

Note: Mr. Hiroshi Takekawa is an Outside Director of the Company under Article 2, Item (xv) of the Companies Act of Japan.

There is no special interest between Mr. Takekawa and the Company.

As a result of his appointment as Outside Audit and Supervisory Board Member of the Company (full-time), Mr. Takekawa resigned from his position as Executive Officer of Mitsubishi UFJ Financial Group, Inc. and of MUFG Bank, Ltd.

The Company has designated Mr. Takekawa as an Independent Director as defined in the rules of the Tokyo Stock Exchange and registered him with Tokyo Stock Exchange, Inc.

¹ “Holding ratio of share certificates, etc.” means as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act of Japan. The same applies throughout this Proposal.

² Including persons described as a holder under Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act of Japan (including persons who are deemed to fall under the applicable person above by the Board of Directors). The same applies throughout this Proposal.

³ “Share certificates, etc.” means as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act of Japan. The same applies throughout this Proposal, unless otherwise provided for in this Proposal.

⁴ “Tender offer” means as defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act of Japan. The same applies throughout this Proposal.

⁵ “Owning ratio of share certificates, etc.” means as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act of Japan. The same applies throughout this Proposal.

⁶ “Person in special relationship” means as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act of Japan (including persons who are deemed to fall under the applicable person by the Board of Directors), provided, however, that persons provided for in Article 3, Paragraph 2 of the Cabinet Office Regulations concerning Disclosure of a Tender Offer by an Acquirer other than the Issuing Company are excluded from the persons described in Article 27-2, Paragraph 7(i) of the Financial Instruments and Exchange Act of Japan. The same applies throughout this Proposal.

⁷ “Share certificates, etc.” means as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan.

⁸ Even if in the future the Company becomes a company with class shares (as defined in Article 2, Item (xiii) of the Companies Act of Japan), both (i) the shares in the Company to be issued upon exercise of Stock Acquisition Rights and (ii) the shares to be delivered in exchange for acquisition of the Stock Acquisition Rights by the Company are the same class of stock as the stock that has been issued by the Company at the time of the commencement of this Ordinary General Meeting of Shareholders, which is common stock.

⁹ “Specified large holder” means a party who is a holder of share certificates, etc. issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is recognized by the Board of Directors to be at least 20%.

¹⁰ “Joint holders” are as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act of Japan, including persons recognized by the Board of Directors to be a joint holder under Article 27-23, Paragraph 6 of the Financial Instruments and Exchange Act of Japan.

¹¹ “Specified large purchaser” means a person who makes a public announcement of purchase, etc. (as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan; the same applies in this footnote) of share certificates, etc. (as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan; the same applies in this footnote) issued by the Company through a tender offer and whose ratio of owning of share certificates, etc. in respect of such share certificates, etc. owned by such person after such purchase, etc. (including similar ownership as prescribed in Article 7, Paragraph 1 of the Order of Enforcement of Financial Instrument and Exchange Act of Japan) is recognized by the Board of Directors to be at least 20% when combined with the ratio of owning of share certificates, etc., of persons in special relationship.

¹² An “affiliated party” of a given party means a person recognized by the Board of Directors to be a person who substantially controls, is controlled by, or is under common control with such given party, or a party deemed by the Board of Directors to act in concert with such given party. “Control” means to “control decision on the financial and business policies” (as defined in Article 3, Paragraph 3 of the Enforcement Regulations of the Companies Act) of other corporations or entities.