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(Stock Exchange Code 3360)

June 9, 2023

(Start date of measures for electronic provision: June 7, 2023)

To Shareholders with Voting Rights:

Kunihisa Furukawa, Chairman
Futoshi Ohashi, President
SHIP HEALTHCARE HOLDINGS, INC.
3-20-8 Kasuga, Suita-City, Osaka

**NOTICE OF
THE 31ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We are pleased to notify you that the 31st Annual General Meeting of Shareholders of SHIP HEALTHCARE HOLDINGS, INC. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. Matters subject to electronic provision are posted on the below website on the Internet.

The Company’s website

<https://www.shiphd.co.jp/en/ir/event/meeting.html>

The matters are also posted on the below website on the Internet.

Tokyo Stock Exchange (TSE) website (Listed Company Search)

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

Please access the TSE website above, enter “SHIP HEALTHCARE HOLDINGS” in “Issue name (company name)” or the Company’s stock exchange code “3360” in “Code,” search, select “Basic information” and then “Documents for public inspection/PR information,” and see the documents in “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” in “Filed information available for public inspection.”

If you wish to exercise your voting rights in writing by submitting the Voting Rights Exercise Form or via the Internet without attending the meeting, please review the Reference Documents for the General Meeting of Shareholders posted as matters subject to electronic provision, and exercise your voting rights by 5:40 p.m. on Wednesday, June 28, 2023, Japan time.

- 1. Date and Time:** Thursday, June 29, 2023, at 10 a.m. (Reception opens at 9 a.m.)
- 2. Place:** Crystal Hall, Senri Hankyu Hotel West Bldg. 2F, located at 2-1-D-1 Shinsenri Higashimachi, Toyonaka City, Osaka, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 31st Fiscal Year (April 1, 2022–March 31, 2023) and the results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the Company's 31st Fiscal Year (April 1, 2022–March 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Twelve (12) Directors
- Proposal 3:** Election of One (1) Corporate Auditor
- 4. Matters Regarding This Convocation Notice** In case you are unable to attend the meeting, one (1) shareholder with voting rights can represent you as a proxy at this meeting. However, a document that verifies the proxy right of the person representing you must be submitted.

© Please be informed that no souvenirs will be provided at this Annual General Meeting of Shareholders. We appreciate your understanding.

© If the venue or time, etc. of the General Meeting of Shareholders changes for unavoidable reasons, the changes will be promptly posted on the Company's website (<https://www.shiphd.co.jp/en/>). When attending the meeting, please check the website in advance.

© When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

© Institutional investors registered in the name of a trust and custody services bank, etc. (including a standing proxy), may use the "Voting Rights Electronic Exercise Platform" operated by ICJ Co., Ltd., as another electromagnetic method other than the use of the Internet for exercising voting rights at the General Shareholders Meeting of the Company, provided that the shareholder has already subscribed to use of the platform.

© If there is any revision to matters subject to electronic provision, the details of the revision will be announced on the websites where the matters are posted.

© Pursuant to laws and the provision of Article 16 of the Articles of Incorporation of the Company, Matters on Stock Acquisition Rights, etc. of the Company, Matters on Outside Directors, Status of the Accounting Auditor, and Systems to Ensure Appropriate Business Operations and Implementation Status of the Systems in the Business Report; the Consolidated Statements of Changes in Shareholders' Equity and the Notes to the Consolidated Financial Statements in the Consolidated Financial Statements; and the Non-Consolidated Statements of Changes in Shareholders' Equity and the Notes to the Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements are not included in the documents sent to shareholders. The Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements included in this Notice are part of the Business Report and the Consolidated and Non-Consolidated Financial Statements that were audited by the Accounting Auditor and Corporate Auditors to prepare audit reports.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Regarding year-end dividends for the Company's 31st fiscal year, it is proposed to pay 42 yen per share, in consideration of its business results for the fiscal year under review, prospects for future business development and the status of internal reserves.

- (1) Type of dividend property:
Cash
- (2) Allotment of dividend property to shareholders and the total amount:
42 yen per share of common stock of the Company
Total amount: 3,962,709,450 yen
- (3) Effective date of dividends from surplus:
June 30, 2023

Proposal 2: Election of Twelve (12) Directors

The terms of office of all twelve (12) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of twelve (12) Directors is proposed.

The candidates are as follows:

No.		Name	Position at the Company	Attendance at meetings of the Board of Directors		
1	Reappointment	Kunihisa Furukawa	Chairman	100% (16/16 meetings)		
2	Reappointment	Kenzo Konishi	Vice Chairman General Manager, MSP Business Division	100% (16/16 meetings)		
3	Reappointment	Hiroataka Ogawa	Vice Chairman General Manager, TPP Business Division	100% (16/16 meetings)		
4	Reappointment	Futoshi Ohashi	President General Manager, Corporate Planning Department and General Manager, Efficiency Planning Division	100% (16/16 meetings)		
5	Reappointment	Hiroshi Yokoyama	Executive Director General Manager, Secretary Office	100% (16/16 meetings)		
6	Reappointment	Atsushi Umino	Managing Director General Manager, Sales Strategy Division	100% (16/16 meetings)		
7	Reappointment	Shoji Shimada	Director	100% (16/16 meetings)		
8	New appointment	Yoshio Yasuda	Executive Officer General Manager, Administration Division	—% (—/— meetings)		
9	Reappointment	Outside	Independent	Seiichiro Sano	Director	93.8% (15/16 meetings)
10	Reappointment	Outside	Independent	Toshio Imabeppu	Director	100% (16/16 meetings)
11	Reappointment	Outside	Independent	Fumiyo Ito	Director	93.8% (15/16 meetings)
12	Reappointment	Outside	Independent	Shinya Nishio	Director	93.8% (15/16 meetings)

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Kunihisa Furukawa (April 27, 1945) [Reappointment]	August 1992	Founder and President of SHIP Corporation (currently the Company)	2,473,600
		November 1992	President of GREEN HOSPITAL SUPPLY, INC. (Absorbed by the Company through a merger on March 31, 2002)	
		June 2014	Chairman of the Company (to present)	
	[Reasons for nominating the candidate for Director] Kunihisa Furukawa has been involved in the Company's management as founder and Chairman of the Company, and possesses ample insight and extensive professional experience regarding the industry and overall corporate management. The Company reappoints Mr. Furukawa, expecting him to continue to help improve performance of the overall SHIP HEALTHCARE Group (the "Group"), ensure the governance, and lead further development of the Group.			
2	Kenzo Konishi (July 9, 1957) [Reappointment]	April 1980	Joined Konishi Medical Instruments Co., Ltd.	1,592,000
		April 1991	Director of Konishi Medical Instruments Co., Ltd.	
August 1996	Managing Director of Konishi Medical Instruments Co., Ltd.			
October 1997	President of Konishi Medical Instruments Co., Ltd.			
August 2007	Chairman and Director of Konishi Medical Instruments Co., Ltd.			
September 2007	Representative Director and CEO of Konishi Kyowa Holding Corporation (Absorbed by Konishi Medical Instruments Co., Ltd. through a merger on October 1, 2020)			
September 2010	Representative Director, CEO and COO of Konishi Kyowa Holding Corporation			
June 2016	Chairman of Konishi Kyowa Holding Corporation (to present)			
		November 2021	Vice Chairman of the Company (to present)	
			General Manager, MSP Business Division of the Company (to present)	
		[Significant concurrent positions] • Chairman of Konishi Medical Instruments Co., Ltd.		
	[Reasons for nominating the candidate for Director] Kenzo Konishi possesses extensive experience in managing Konishi Medical Instruments Co., Ltd., which has an approximately 70-year history of operation. He also has profound knowledge related to the industry and network. The Company reappoints Mr. Konishi, expecting him to continue to create synergies throughout the Group and lead further development of the Group.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Hiroataka Ogawa (January 14, 1958) [Reappointment]	<p>November 1992 Joined GREEN HOSPITAL SUPPLY, INC. (Absorbed by the Company through a merger on March 31, 2002) Director of GREEN HOSPITAL SUPPLY, INC.</p> <p>January 1993 Joined SHIP Corporation (currently the Company) Director and General Manager, Consulting Services Department of SHIP Corporation</p> <p>April 2004 Executive Director and General Manager, Corporate Planning Office of the Company</p> <p>April 2008 Executive Director and General Manager, Administration Division of the Company</p> <p>April 2009 Executive Director, General Manager, Administration Division, and General Manager, Information System Department of the Company</p> <p>October 2009 Director and General Manager, Business Management Office of the Company</p> <p>June 2012 Director and Vice President, General Manager, Business Management Office of the Company</p> <p>June 2014 President of the Company</p> <p>June 2021 Vice Chairman of the Company (to present)</p> <p>November 2021 General Manager, TPP Business Division of the Company (to present)</p> <p>[Significant concurrent positions] <ul style="list-style-type: none"> • Chairman of GREEN HOSPITAL SUPPLY, INC. • President of KITA OSAKA ESTATE, INC. • President of SHIP HEALTHCARE ESTATE EAST, INC. • President of OSAKA HEAVY ION ADMINISTRATION CO. </p>	663,000
<p>[Reasons for nominating the candidate for Director]</p> <p>Hiroataka Ogawa has served in various positions including General Manager, Corporate Planning Office; General Manager, Administration Division; General Manager, Information System Department; General Manager, Business Management Office; Vice President; and President of the Company. Mr. Ogawa possesses ample insight on the industry and overall corporate management, and has extensive experience. The Company reappoints Mr. Ogawa, expecting him to continue to help improve the Group's performance and lead further development of the Group.</p>			
4	Futoshi Ohashi (May 10, 1964) [Reappointment]	<p>June 1987 Joined F&S UNI MANAGEMENT CO., LTD.</p> <p>May 2000 Director of F&S UNI MANAGEMENT CO., LTD.</p> <p>May 2003 Representative Director and Senior Managing Executive Officer of F&S UNI MANAGEMENT CO., LTD.</p> <p>May 2006 President of F&S UNI MANAGEMENT CO., LTD.</p> <p>January 2007 Director of CENTRAL UNI CO., LTD.</p> <p>October 2009 Director of the Company</p> <p>June 2012 Executive Director and General Manager, Information Strategy Office of the Company</p> <p>June 2014 Vice President of the Company</p> <p>June 2017 Chairman of F&S UNI MANAGEMENT CO., LTD.</p> <p>June 2021 President of the Company (to present)</p> <p>November 2021 General Manager, Corporate Planning Department, and General Manager, Efficiency Planning Division of the Company (to present)</p>	1,200
<p>[Reasons for nominating the candidate for Director]</p> <p>Futoshi Ohashi possesses extensive knowledge of the industry and overall corporate management, including intra-hospital logistics of medical consumables and information systems, and a track record in corporate management. The Company reappoints Mr. Ohashi, expecting him to continue to lead further development by enhancing the Group's business performance, increasing the number of contracts, improving operations, and creating synergies with other business departments.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Hiroshi Yokoyama (April 8, 1958) [Reappointment]	<p>January 1993 Joined SHIP Corporation (currently the Company)</p> <p>June 1997 Director and General Manager, Osaka Sales Department, Medical Imaging Business Department of the Company</p> <p>April 2001 Joined FUJIFILM Medical Nishi Nihon Co., Ltd. (currently FUJIFILM Medical Co., Ltd.)</p> <p>September 2007 Joined the Company General Manager, Corporate Planning Office of the Company</p> <p>June 2008 Director and General Manager, Corporate Planning Office of the Company</p> <p>June 2014 Managing Director and General Manager, Corporate Planning Office of the Company</p> <p>June 2016 Managing Director and General Manager, Secretary Office of the Company</p> <p>June 2019 Executive Director and General Manager, Secretary Office of the Company (to present)</p> <p>November 2021 General Manager, Human Resources Development Division of the Company</p> <p>[Significant concurrent positions] • President of STK Co., Ltd.</p>	201,000
<p>[Reasons for nominating the candidate for Director]</p> <p>Hiroshi Yokoyama has served in various positions including General Manager, Corporate Planning Office; General Manager, General Affairs Department; and General Manager, Secretary Office of the Company, and possesses ample experience and knowledge on Group governance, investor relations, public relations, human resources development, etc. The Company reappoints Mr. Yokoyama, expecting him to continue to lead the Group's well-balanced growth, the building of relationships with all stakeholders, and the sustained human resources development.</p>			
6	Atsushi Umino (October 23, 1964) [Reappointment]	<p>April 1983 Joined Sumitomo Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2009 General Manager, Hirakata Corporate Business Office of Sumitomo Mitsui Banking Corporation</p> <p>April 2011 General Manager, Shin-Osaka Corporate Business Office of Sumitomo Mitsui Banking Corporation</p> <p>April 2013 General Manager, Kyoto Corporate Business Office-2 of Sumitomo Mitsui Banking Corporation</p> <p>April 2015 General Manager, Umeda Corporate Business Office-2 of Sumitomo Mitsui Banking Corporation</p> <p>May 2018 Joined the Company</p> <p>June 2019 Executive Officer of the Company Director of GREEN HOSPITAL SUPPLY, INC.</p> <p>June 2020 Managing Director of GREEN HOSPITAL SUPPLY, INC. Director of the Company</p> <p>November 2021 General Manager, Sales Strategy Division of the Company (to present)</p> <p>June 2022 Managing Director of the Company (to present)</p>	—
<p>[Reasons for nominating the candidate for Director]</p> <p>Atsushi Umino possesses expertise and experience in finance, business partnerships, sales promotion, M&A, and other areas. The Company reappoints Mr. Umino, expecting him to utilize these for the Company's management to lead the further development of the Group by creating synergies throughout the Group.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
7	Shoji Shimada (January 23, 1958) [Reappointment]	August 1997	Joined Konishi Medical Instruments Co., Ltd.	—
		January 2006	Deputy General Manager, SPD Business Division of Konishi Medical Instruments Co., Ltd.	
January 2014	General Manager, Medical Solution Business Division of Konishi Medical Instruments Co., Ltd.			
November 2015	Executive Officer, General Manager, Medical Solution Business Division of Konishi Medical Instruments Co., Ltd.			
June 2017	Director, General Manager, Medical Solution Business Division of Konishi Medical Instruments Co., Ltd.			
June 2020	Director of the Company (to present)			
June 2021	Managing Director, General Manager, Solution Business Division of Konishi Medical Instruments Co., Ltd. (to present)			
[Reasons for nominating the candidate for Director] Shoji Shimada has been involved in work such as the starting up of the SPD Business and automated logistic center, and possesses ample knowledge related to medical consumables and logistics management systems. The Company reappoints Mr. Shimada, expecting him to utilize his knowledge and experience for the Company's management to lead the further development of the Group by creating synergies throughout the Group.				
8	Yoshio Yasuda (December 1, 1960) [New appointment]	April 1984	Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)	—
		July 2007	General Manager, Juso Branch, Mizuho Bank, Ltd.	
May 2011	General Manager, Loan Business Development Department, Mizuho Bank, Ltd.			
August 2012	Joined F&S UNI MANAGEMENT CO., LTD. General Manager, Administration Division, F&S UNI MANAGEMENT CO., LTD.			
June 2019	Director of Yamada Shadowless Lamp Co., Ltd. (to present)			
April 2020	Managing Director and General Manager, Administration Division of CENTRAL UNI CO., LTD. (to present) Managing Director of F&S UNI MANAGEMENT CO., LTD. (to present)			
November 2021	Executive Officer and General Manager, Administration Division of the Company (to present)			
[Reasons for nominating the candidate for Director] Yoshio Yasuda has extensive knowledge on finance, accounting, corporate governance, legal affairs, and other areas. The Company newly appoints Mr. Yasuda, expecting him to lead the further development of the Group by utilizing his knowledge and experience to strengthen and improve the efficiency of the corporate governance and administration structures throughout the Group.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
9	Seiichiro Sano (November 20, 1952) [Reappointment] [Outside] [Independent]	April 1977	Joined SANYO Electric Co., Ltd.	—
		April 2005	Executive Officer of SANYO Electric Co., Ltd.	
April 2007	CEO of SANYO Electric Co., Ltd.			
June 2007	President of SANYO Electric Co., Ltd.			
April 2011	Senior Managing Executive Officer of Panasonic Corporation (currently Panasonic Holdings Corporation)			
June 2012	Senior Audit & Supervisory Board Member of Panasonic Corporation			
June 2016	Advisor of Panasonic Corporation			
		June 2017	Director of the Company (to present)	
[Reasons for nominating the candidate for Outside Director and expected roles] Seiichiro Sano has served in various positions including President of SANYO Electric Co., Ltd., as well as Senior Managing Executive Officer, Senior Audit & Supervisory Board Member, and Advisor of Panasonic Corporation, and possesses profound insight and extensive experience in corporate management. The Company reappoints Mr. Sano as an Outside Director, expecting him to utilize his knowledge and experience for the Company's management and participate in its management from a fair and neutral standpoint.				
10	Toshio Imabeppu (July 13, 1956) [Reappointment] [Outside] [Independent]	April 1981	Joined Ministry of Health and Welfare (currently Ministry of Health, Labour and Welfare)	—
		August 2002	Counsellor of Cabinet Secretariat	
July 2004	Director, Employees' Health Insurance Division of Ministry of Health, Labour and Welfare			
July 2008	Director, Accounts Division of Ministry of Health, Labour and Welfare			
July 2013	Director-General, Pharmaceutical and Food Safety Bureau of Ministry of Health, Labour and Welfare			
July 2014	Director-General, Statistics and Information Policy of Ministry of Health, Labour and Welfare			
October 2015	Retired from Director-General, Statistics and Information Policy of Ministry of Health, Labour and Welfare			
June 2016	Advisor of Sompo Risk Management Inc.			
June 2019	Director of the Company (to present)			
June 2022	Chairman of Japan Regenerative Medicine Association (to present) Chairman of Foundation for Training and Licensure Examination in Judo Therapy (to present)			
[Reasons for nominating the candidate for Outside Director and expected roles] Although Toshio Imabeppu has no experience of being directly involved in corporate management, he has served in various positions including Director-General, Pharmaceutical and Food Safety Bureau, and Director-General, Statistics and Information Policy of Ministry of Health, Labour and Welfare, and possesses expertise and experience in social welfare, etc. The Company reappoints Mr. Imabeppu as an Outside Director, expecting him to utilize his knowledge and experience for the Company's management and participate in its management from a fair and neutral standpoint.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Fumiyo Ito (August 3, 1957) [Reappointment] [Outside] [Independent]	<p>April 1979 Joined National Kyoto Hospital</p> <p>April 2006 Nursing Specialist, Kinki Group, Headquarters of National Hospital Organization</p> <p>April 2008 Senior Nursing Specialist, National Hospitals Division, Health Policy Bureau of Ministry of Health, Labour and Welfare</p> <p>April 2009 General Manager, Service Safety Section, Medical Department, Headquarters of National Hospital Organization</p> <p>April 2011 General Manager, Nursing Department of National Cerebral and Cardiovascular Center</p> <p>April 2016 General Manager, Nursing Department, Osaka Medical Center of National Hospital Organization</p> <p>March 2019 Retired from Osaka Medical Center of National Hospital Organization</p> <p>April 2019 Joined RAKUWAKAI HEALTH CARE SYSTEM General Manager, Recruitment and Education Department, Headquarters of Rakuwakai</p> <p>June 2019 Director of the Company (to present)</p> <p>April 2020 General Manager, RAKUWAKAI TQM Support Center (to present)</p>	—
<p>[Reasons for nominating the candidate for Outside Director and expected roles]</p> <p>Although Fumiyo Ito has no experience of being directly involved in corporate management, she has served in various positions including Senior Nursing Specialist, National Hospitals Division, Health Policy Bureau of Ministry of Health, Labour and Welfare; General Manager, Nursing Department of National Cerebral and Cardiovascular Center; and General Manager, Nursing Department, Osaka Medical Center of National Hospital Organization, and possesses profound insight and extensive experience as a nursing manager. The Company reappoints Ms. Ito as an Outside Director, expecting her to utilize her knowledge and experience for the Company's management and participate in its management from a fair and neutral standpoint.</p>			
12	Shinya Nishio (June 5, 1957) [Reappointment] [Outside] [Independent]	<p>April 1981 Joined Daiwa Securities Co. Ltd. (currently Daiwa Securities Group Inc.)</p> <p>April 2005 Senior Managing Director of Daiwa Securities Group Inc.</p> <p>April 2010 Member of the Board, Executive Managing Director and General Manager of Osaka Branch of Daiwa Securities Group Inc.</p> <p>April 2012 Member of the Board, Senior Executive Managing Director and Head of Corporate Institution Sales in Osaka of Daiwa Securities Group Inc.</p> <p>June 2016 Member of the Board, Corporate Executive Officer and Deputy President of Daiwa Securities Group Inc. Representative Director and Deputy President of Daiwa Securities Co. Ltd.</p> <p>April 2018 Member of the Board of Daiwa Securities Group Inc. Representative Director and President of Daiwa Investment Management Inc.</p> <p>April 2021 Advisor of Daiwa Corporate Investment Co., Ltd. Full-time Advisor of Daiwa PI Partners Co. Ltd.</p> <p>June 2021 Director of the Company (to present)</p> <p>April 2022 Senior Advisor of Daiwa Investment Management Inc.</p> <p>June 2022 Director, The Tottori Bank, Ltd. (to present)</p>	—
<p>[Reasons for nominating the candidate for Outside Director and expected roles]</p> <p>Shinya Nishio has served in various positions including Representative Director and Deputy President of Daiwa Securities Group Inc., and possesses expertise and ample experience in the finance and securities industry. The Company reappoints Mr. Nishio as an Outside Director, expecting him to utilize his knowledge and experience for the Company's management and participate in its management from a fair and neutral standpoint.</p>			

(Notes)

1. There is no special interest between each candidate and the Company.
2. The number of shares of the Company held by each candidate indicates the number of shares held as of March 31, 2023.
3. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3 of the Companies Act. The insurance policy covers damages that may arise when the insured assumes liability for the execution of their duties as a Director or receives a claim related to the pursuit of such liability. The candidates will be included in the insurance policy as the insured. The Company plans to renew the contract with the same contents at the next renewal.
4. Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito, and Shinya Nishio are candidates for Outside Director and Independent Officer, who has no risk of having a conflict of interest with general shareholders, as stipulated by Tokyo Stock Exchange, Inc.
5. Independence as Outside Director and liability limitation agreement with the Outside Directors
 - (1) Independence of the candidates for Outside Director
 - 1) Seiichiro Sano's term of office as an Outside Director will be 6 years at the conclusion of this Annual General Meeting of Shareholders. Terms of office of Toshio Imabeppu and Fumiyo Ito as Outside Director will be 4 years at the conclusion of this Annual General Meeting of Shareholders. Shinya Nishio's term of office as an Outside Director will be 2 years at the conclusion of this Annual General Meeting of Shareholders.
 - 2) Neither Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito nor Shinya Nishio is in charge of business execution or an officer of specified related business entities of the Company and they have not been so for the past 10 years.
 - 3) Neither Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito nor Shinya Nishio plans to receive a large amount of money or other assets from the Company or specified related business entities of the Company nor have they received such for the past 2 years.
 - 4) Neither Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito nor Shinya Nishio is the spouse, blood relative within the third degree of kinship or any equivalent person of a person in charge of business execution or an officer of the Company or specified related business entities of the Company.
 - 5) For the past 2 years, neither Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito nor Shinya Nishio has been a person in charge of business execution at a corporation of which the Company assumed rights and liabilities via a merger, an absorption-type company split, an incorporation-type company split or a business transfer right before such mergers, etc.
 - (2) Facts pertaining to the occurrence of the improper execution of duties while in office, preventive measures taken against and ways to deal with the same after their occurrence
Not applicable
 - (3) Limited Liability Agreements with Outside Directors
In an attempt to secure capable personnel as Outside Directors, the Company specifies in the Articles of Incorporation that it can conclude agreements with Outside Directors to limit their liability for damages to a certain amount. In accordance with this provision, the Company concluded Limited Liability Agreements with Seiichiro Sano, Toshio Imabeppu, Fumiyo Ito, and Shinya Nishio, candidates for Outside Director. If the reappointment of the candidates is approved at this Annual General Meeting of Shareholders, the Company intends to renew the said agreements with them.
An outline of the Agreement is as follows.
 - In the event damages are incurred to the Company by negligence committed on the part of an Outside Director in the performance of duties, if the Outside Director has acted in good faith and is not grossly negligent in the performance of duties, the amount of liability shall be limited to the amount stipulated in Article 425, Paragraph 1 of the Companies Act.

Proposal 3: Election of One (1) Corporate Auditor

Hidemitsu Nakao, who currently serves as a Corporate Auditor of the Company, will resign at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Corporate Auditor is proposed.

This proposal is already approved by the Board of Corporate Auditors.

The candidate is as follows:

			Name	Position at the Company	Attendance at meetings of the Board of Directors
New appointment	Outside	Independent	Koichi Minami		—% (—/— meetings)

Name (Date of birth)	Past experience and positions		Number of shares of the Company held
Koichi Minami (March 21, 1955) [New appointment] [Outside] [Independent]	April 1977	Joined Sumitomo Bank (currently Sumitomo Mitsui Banking Corporation)	—
	April 2011	Director and Senior Managing Executive Officer of Sumitomo Mitsui Banking Corporation	
	June 2013	Standing Corporate Auditor of Sumitomo Mitsui Financial Group, Inc.	
	June 2016	Corporate Auditor of Sumitomo Mitsui Banking Corporation	
	June 2022	President of Keihanshin Building Co., Ltd. Chairman of Keihanshin Building Co., Ltd. (to present)	

[Reasons for nominating the candidate for Outside Corporate Auditor]

Koichi Minami has served in various positions including Director and Senior Managing Executive Officer of Sumitomo Mitsui Banking Corporation and Standing Corporate Auditor of Sumitomo Mitsui Financial Group, Inc., and possesses expertise and experience in finance. The Company newly appoints Mr. Minami as an Outside Corporate Auditor, expecting him to utilize his knowledge and experience for the Company's management and audit its management from a fair and neutral standpoint.

(Notes)

1. There is no special interest between the candidate and the Company.
2. The number of shares of the Company held by each candidate indicates the number of shares held as of March 31, 2023.
3. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3 of the Companies Act. The insurance policy covers damages that may arise when the insured assumes liability for the execution of their duties as a Corporate Auditor or receives a claim related to the pursuit of such liability. The candidate will be included in the insurance policy as the insured. The Company plans to renew the contract with the same contents at the next renewal.
4. Koichi Minami is a candidate for an Outside Corporate Auditor and Independent Officer, who has no risk of having a conflict of interest with general shareholders, as stipulated by Tokyo Stock Exchange, Inc.
5. Koichi Minami will be elected as a substitute for Hidemitsu Nakao, who currently serves as a Corporate Auditor. Pursuant to the provision of the Articles of Incorporation of the Company, Koichi Minami's term of office will expire at the expiration of the term of office of the resigning Corporate Auditor.
6. Independence as Outside Corporate Auditor and liability limitation agreement with the Outside Corporate Auditor
 - (1) Independence of the candidate for Outside Corporate Auditor
 - 1) Koichi Minami is not in charge of business execution or an officer of specified related business entities of the Company but has served as Corporate Auditor of Sumitomo Mitsui Banking Corporation, a specified related business entity of the Company, in the past 10 years.
 - 2) Koichi Minami does not plan to receive a large amount of money or other assets from the Company or specified related business entities of the Company nor has he received such for the past 2 years.
 - 3) Koichi Minami is not the spouse, blood relative within the third degree of kinship or any equivalent person of a person in charge of business execution or an officer of the Company or specified related business entities of the Company.
 - 4) For the past 2 years, Koichi Minami has not been a person in charge of business execution at a corporation of which the Company assumed rights and liabilities via a merger, an absorption-type company split, an incorporation-type company split or a business transfer right before such mergers, etc.
 - (2) Facts pertaining to the occurrence of the improper execution of duties while in office, preventive measures taken against and ways to deal with the same after their occurrence
Not applicable
 - (3) Limited Liability Agreements with Outside Corporate Auditors
In an attempt to secure capable personnel as Outside Corporate Auditors, the Company specifies in the Articles of Incorporation that it can conclude agreements with Outside Corporate Auditors to limit their liability for damages to a certain amount. In accordance with this provision, the Company intends to conclude a Limited Liability Agreement with Koichi Minami, a candidate for an Outside Corporate Auditor, if his election is approved at this Annual General Meeting of Shareholders.
An outline of the Agreement is as follows.
 - In the event damages are incurred to the Company by negligence committed on the part of an Outside Corporate Auditor in the performance of duties, if the Outside Corporate Auditor has acted in good faith and is not grossly negligent in the performance of duties, the amount of liability shall be limited to the amount stipulated in Article 425, Paragraph 1 of the Companies Act.

(Reference)

Directors and Corporate Auditors Skills Matrix (if the candidates are elected at this Annual General Meeting of Shareholders)

Position	Name	Particular areas expected by the Company (up to 3 areas)						
		Corporate management	Industry knowledge & medical policy	Sales & marketing	Finance & accounting	IT & technology	Human resources & human resources development	Legal affairs, risk management & compliance
Directors	Kunihisa Furukawa		•	•	•			
	Kenzo Konishi		•	•	•			
	Hiroataka Ogawa		•	•		•		
	Futoshi Ohashi		•	•		•		
	Hiroshi Yokoyama			•			•	•
	Atsushi Umino			•	•	•		
	Shoji Shimada			•	•		•	
	Yoshio Yasuda					•	•	•
	Seiichiro Sano	Outside	•					•
	Toshio Imabeppu	Outside		•				•
	Fumiyo Ito	Outside		•				•
	Shinya Nishio	Outside	•			•		•
Corporate Auditors	Narushige Toda		•	•				•
	Hiroyasu Oyama	Outside			•			•
	Nobuyuki Sano	Outside	•		•			•
	Koichi Minami	Outside	•		•			•