

Securities Code: 9086

June 1, 2021

Yasuo Nakatani  
Representative Executive Officer  
President and Chief Executive Officer  
Hitachi Transport System, Ltd.  
2-9-2 Kyobashi, Chuo-ku, Tokyo

### **Notice of Convocation of the 62nd Annual General Meeting of Shareholders**

We announce that Hitachi Transport System, Ltd. (the “Company”) will hold its 62nd Annual General Meeting of Shareholders as detailed below.

**With a view to preventing the spread of COVID-19, you are recommended to exercise your voting rights in advance, either in writing or via the Internet, rather than visiting the meeting venue on the meeting date. Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise voting rights by no later than 5:00 p.m. on Monday, June 21, 2021.**

1. Date and Time: 10:00 a.m. on Tuesday, June 22, 2021 (Reception will open at 9:00 a.m.)
2. Place: Main Meeting Room, 2nd floor of the Company Headquarters,  
2-9-2 Kyobashi, Chuo-ku, Tokyo, Japan
3. Meeting Agenda:  
Matters to be reported: Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements for the 62nd Business Year (from April 1, 2020 to March 31, 2021), and results of audits of the Consolidated Financial Statements by the Accounting Auditors and Audit Committee.  
Matters to be resolved: Proposal: Election of nine directors due to expiration of the term of office of all directors

- ◎ The section entitled “6. System and Policy of the Company” in the Business Report (comprised of: (1) Corporate Governance System; (2) System for Securing the Appropriateness of Business and the State of Operation of the System Concerned; (3) Basic Policies for Control of the Company; (4) Policies for Determining Allocation of Surplus; and (5) the results of analysis and evaluation on the effectiveness of the Board of Directors as a whole), the Notes to the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.hitachi-transportssystem.com/jp/>) in accordance with applicable laws and regulations and Article 13 of the Articles of Incorporation of the Company, and are accordingly not provided in this notice of convocation. To dispel any possible doubt, the Business Report, the Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit Committee and Accounting Auditors during the preparation of the Audit Report and Accounting Audit Report respectively include the excerpt from the Business Report, the Notes to the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements posted on the Company’s website, in addition to the documents provided in the attachment to this notice of convocation.
- ◎ In the event that any item in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or Non-consolidated Financial Statements is amended, the Company will announce the amendment on the Company’s website described above.
- ◎ The Company will announce the results of this Annual General Meeting of Shareholders on the Company’s website.

## Reference Documents for General Meeting of Shareholders

### Proposal and References

#### Proposal: Election of nine directors due to expiration of the term of office of all directors

The term of office of all the incumbent directors will expire upon conclusion of this General Meeting of Shareholders. In accordance with a decision of the Nominating Committee, the Company proposes the election of nine directors. The candidates for the directors are as follows. The Company has obtained prior approval of the respective candidates, on the condition that they are elected at this General Meeting of Shareholders.

To dispel any possible doubt, the resolution for the election of directors shall not be by cumulative voting.

Candidate number	Name	Registration	Current positions and Assignments in the Company	Number of attendances for Board of Directors meetings
1	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Miho Aoki	2020	Outside Director [Audit Committee 12/12]	11/11
2	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Sayoko Izumoto	2017	Outside Director [Audit Committee 17/17] [Compensation Committee, as Committee chairperson 6/6 *3]	13/13
3	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Mitsudo Urano	2014	Outside Director [Nomination Committee, as Committee chairperson 6/6] [Compensation Committee, as Committee chairperson 2/2 *4]	13/13
4	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Takashi Nishijima	2020	Outside Director [Nomination Committee 4/4] [Compensation Committee 4/4]	11/11

5	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Tetsu Fusayama	2016	Outside Director [Nomination Committee 6/6] [Audit Committee 5/5 *4]	13/13
6	[Candidate for Reappointment] [Candidate for Outside Director] Hiroshi Maruta	2015	Outside Director [Audit Committee, as Committee chairperson 17/17]	13/13
7	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Hajime Watanabe	2020	Outside Director [Audit Committee 12/12]	11/11
8	[Candidate for Reappointment] Takashi Jinguji	2016	Representative Executive Officer, Executive Vice President and Executive Officer and Board Director	13/13
9	[Candidate for Reappointment] Yasuo Nakatani	2013	Representative Executive Officer, President and Chief Executive Officer and Board Director [Nomination Committee 6/6] [Compensation Committee 6/6]	13/13

\*1. For the candidates who has been in office for one year, their attendance records are indicated based on the number of board meetings held after their assumption of office.

\*2. For directors serving as a committee member (or the committee chairperson, if applicable), the committee name and the number of committee meeting attendances are indicated.

\*3 Out of the six Compensation Committee's meetings, two were held during the period from April 1, 2020 to June 23, 2020, i.e., the date of the previous Annual General Meeting of Shareholders, and four were held thereafter. Director S. Izumoto attended the initial two meetings as a committee member and the remaining four as the committee chairperson.

\*4. The number of committee meetings marked with asterisk 4 (\*4) is the number of relevant committee meetings held on or after April 1, 2020 until June 23, 2020, i.e., the date of the previous Annual General Meeting of Shareholders. As of June 23, 2020, Director M. Urano resigned as the Compensation Committee's chairperson and member, and Director T. Fusayama resigned as the Audit Committee's member.

**1. Miho Aoki** (Born: April 12, 1961)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



**• Career summary, positions, assignments, and important posts concurrently held**

June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office) Outside Director, Toshiba Tec Corporation (currently in office)
April 2020	Associate Professor, Department of Food Safety and Management, Faculty of Life and Environmental Sciences (currently known as Faculty of Food and Health Sciences), Showa Women's University (currently in office)
April 2019	Specially Appointed Associate Professor, Department of Food Safety and Management, Faculty of Life and Environmental Sciences, Showa Women's University
April 2017	Part-Time Lecturer, Department of Food Safety and Management, Faculty of Life and Environmental Sciences, Showa Women's University
March 2008	Vice President, Amway Japan G.K.
July 2005	Representative Board Director, Esquel Japan Limited K.K.
June 2001	Executive Officer, Deloitte Tohmatsu Consulting Co., Ltd. (currently known as ABeam Consulting Ltd.)
September 1995	Executive Secretary, Estée Lauder Group Companies K.K. (currently known as ELC Japan K.K.)
January 1990	Manager of Business Strategy Division, Pfizer Inc.
August 1987	Salomon Brothers, Inc. (New York Head Office)
April 1983	The Boston Consulting Group K.K.

**【Reason for the appointment of the candidate for Outside Director and major roles expected】**

Ms. Miho Aoki served as executive officer in Deloitte Tohmatsu Consulting Co., Ltd. (currently known as ABeam Consulting Ltd.) and held executive positions at various other firms. Based on her abundant experience in company management, she currently works as an associate professor at a university. Since the Company determines that she can leverage her knowledge and experience for supervising the Company's management and thus contribute to enhancing the function of the Board of Directors, the Company reappoints Ms. Aoki as a candidate for Outside Director.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Ms. Miho Aoki.

**【Independence of Outside Directors】**

Since Ms. Miho Aoki fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Aoki as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

**【Tenure as director】**

The tenure of Ms. Miho Aoki as director will reach one year upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

11/11

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Ms. Miho Aoki to limit her liability referred to in Article 423(1) of Japan’s Companies Act for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Aoki to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Aoki as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan’s Companies Act, in which all of the Company’s directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

## 2. Sayoko Izumoto (Born: July 8, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



### • Career summary, positions, assignments, and important posts concurrently held

June 2017	Outside Director, Hitachi Transport System, Ltd. (currently in office) Member of the Audit and Supervisory Board (Outside), DAIICHI SANKYO COMPANY, LIMITED (currently in office)
May 2017	External Audit and Supervisory Board Member, Freund Corporation (currently in office)
April 2017	Member, Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications (currently in office)
August 2016	Established Izumoto Certified Public Accountant Office (currently in office)
July 2016	Left Deloitte Touche Tohmatsu LLC
January 2015	Member, Information and Communications Council, Ministry of Internal Affairs and Communications (currently in office)
July 2010	Executive Board Member, The Japanese Institute of Certified Public Accountants Headquarters
March 2008	Member, Technical Committee: Post-Retirement Benefits, Accounting Standards Board of Japan
January 2007	Member, Business Accounting Council, Financial Services Agency
July 2001	Council Member, The Japanese Institute of Certified Public Accountants Headquarters
July 1995	Partner, Tohmatsu & Co.
March 1976	Tohmatsu Awoki & Co. (currently known as Deloitte Touche Tohmatsu LLC)

### **【Reason for the appointment of the candidate for Outside Director and major roles expected】**

Ms. Sayoko Izumoto has a long career in corporate accounting at a large audit corporation and has served in various public posts. Ms. Izumoto has sufficient knowledge and experience in the field of audit and supervision of business execution. Since the Company determines that such knowledge and experience is beneficial for the Company's management and can be of help in enhancing the function of the Board of Director, the Company reappoints Ms. Izumoto as a candidate for Outside Director.

### **【Special interest between the candidate and the Company】**

No special interest exists between the Company and Ms. Sayoko Izumoto.

**【Independence of Outside Directors】**

Since Ms. Sayoko Izumoto fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Izumoto as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

**【Tenure as director】**

The tenure of Ms. Sayoko Izumoto as director will reach four years upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

13/13

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Ms. Sayoko Izumoto to limit her liability referred to in Article 423(1) of Japan’s Companies Act for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Izumoto to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Izumoto as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan’s Companies Act, in which all of the Company’s directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.



### 3. Mitsudo Urano (Born: March 20, 1948)

Number of the Company's shares owned: 3,000 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



#### • Career summary, positions, assignments, and important posts concurrently held

June 2014	Outside Director, Hitachi Transport System, Ltd. (currently in office)
June 2013	Advisor, NICHIREI CORPORATION Outside Director, Resona Holdings, Inc. (currently in office) Outside Director, HOYA CORPORATION (currently in office)
June 2011	Outside Director, Yokogawa Electric Corporation
June 2007	Representative Director and Chairman, NICHIREI CORPORATION
April 2007	Director and Chairman, Nichirei Foods Inc.
January 2005	Representative Director and President, Nichirei Foods Inc.
June 2001	Representative Director and President, NICHIREI CORPORATION
June 1999	Director and General Manager, Strategic Planning Division, NICHIREI CORPORATION
April 1995	General Manager, Low Temperature Logistics Planning Division, NICHIREI CORPORATION
April 1971	Nippon Reizo Co., Ltd. (currently known as NICHIREI CORPORATION)

#### **【Reason for the appointment of the candidate for Outside Director and major roles expected】**

Mr. Mitsudo Urano has worked to enhance management efficiency as a top executive in manufacturing and logistics businesses and has experienced a number of positions as an outside officer at various enterprises. Since the Company determines that his excellent business sense and familiarity with various management issues make him qualified to supervise the Company's management and can be of help in enhancing the function of the Board of Director, the Company reappoints Mr. Urano as a candidate for Outside Director.

#### **【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Mitsudo Urano.

#### **【Independence of Outside Directors】**

Since Mr. Mitsudo Urano fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Urano as an independent officer as stipulated in the relevant rules of the Tokyo Stock

Exchange.

**【Tenure as director】**

The tenure of Mr. Mitsudo Urano as director will reach seven years upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

13/13

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Mr. Mitsudo Urano to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Urano to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Urano as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

**4. Takashi Nishijima** (Born: August 12, 1957)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



**• Career summary, positions, assignments, and important posts concurrently held**

April 2021	Chairman, Yokogawa Electric Corporation (currently in office)
June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office)
April 2019	Chairman and Representative Director, Yokogawa Electric Corporation
April 2013	President and Chief Executive Officer, Yokogawa Electric Corporation
April 2012	Board Director and Senior Vice President, Head of IA Platform Business Headquarters, Yokogawa Electric Corporation
June 2011	Director, Yokogawa Electric Corporation President, Yokogawa Meters & Instruments Corporation (currently known as Yokogawa Test & Measurement Corporation)
April 2010	President, Yokogawa Meters & Instruments Corporation (currently known as Yokogawa Test & Measurement Corporation)
October 2008	Executive Officer, Head of Control Products Business Center, IA Business Headquarters, Hokushin Electric Works Ltd.
April 1981	Hokushin Electric Works Limited (currently known as Yokogawa Electric Corporation)

**【Reason for the appointment of the candidate for Outside Director and major roles expected】**

After serving as the president at Yokogawa Electric Corporation and holding various executive positions in the Yokogawa group, Mr. Takashi Nishijima currently serves as the chairman of Yokogawa Electric Corporation. Since the Company determines that his managerial excellence and profound understanding of various management issues make him qualified to supervise the Company's management, which will surely contribute to enhancing the function of the Board of Director, the Company reappoints Mr. Nishijima as a candidate for Outside Director.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Takashi Nishijima.

**【Independence of Outside Directors】**

Since Mr. Takashi Nishijima fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and

is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Nishijima as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

**【Tenure as director】**

The tenure of Mr. Takashi Nishijima as director will reach one year upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

11/11

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Mr. Takashi Nishijima to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Nishijima to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Nishijima as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

**5. Tetsu Fusayama** (Born: June 21, 1952)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



**• Career summary, positions, assignments, and important posts concurrently held**

June 2016	Outside Director, Hitachi Transport System, Ltd. (currently in office)
December 2014	Established Fusayama Law Office (currently in office)
April 2014	Chairman, Appeal Committee, Japan Football Association (currently in office)
January 2013	Founder and Partner, Tokyo Excel Law Firm
August 2012	Attorney-at-Law, Otani Law Office Registered as attorney-at-law with the Dai-Ichi Tokyo Bar Association
October 2010	Chief Prosecutor, Fukuoka District Public Prosecutors Office
January 2010	Chief Prosecutor, Nagano District Public Prosecutors Office
October 2008	Chief Prosecutor, Saga District Public Prosecutors Office
January 2008	Public Prosecutor, Supreme Public Prosecutors Office
August 2006	Director-General, Public Security Department, Tokyo High Public Prosecutors Office
April 2005	Director-General, Criminal Affairs Department, Nagoya High Public Prosecutors Office
April 1979	Public Prosecutor, Tokyo District Public Prosecutors Office

**【Reason for the appointment of the candidate for Outside Director and major roles expected】**

After his long career as a public prosecutor, Mr. Tetsu Fusayama is now active as an attorney at law, with a wealth of expertise and experience in legal and compliance issues. Since the Company determines that his knowledge and experience are continuously helpful for the Company's management and can contribute to enhancing the function of the Board of Director, the Company reappoints Mr. Fusayama as a candidate for Outside Director.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Tetsu Fusayama.

**【Independence of Outside Directors】**

Since Mr. Tetsu Fusayama fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has

registered Mr. Fusayama as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

**【Tenure as director】**

The tenure of Mr. Tetsu Fusayama as director will reach five years upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

13/13

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Mr. Tetsu Fusayama to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Fusayama to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Fusayama as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

**6. Hiroshi Maruta** (Born: August 19, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director



**• Career summary, positions, assignments, and important posts concurrently held**

June 2015	Outside Director, Hitachi Transport System, Ltd. (currently in office)
April 2014	Group CFO, Infrastructure Systems Group, Hitachi, Ltd.
April 2013	General Manager, Finance Group, Infrastructure Systems Company, Hitachi, Ltd.
June 2012	Representative Director, Senior Vice President and Executive Officer, Hitachi Plant Technologies, Ltd.
April 2012	Director, Senior Vice President and Executive Officer in charge of Management Strategy, Group Strategy, Finance and Hitachi Smart Transformation Project, Hitachi Plant Technologies, Ltd.
April 2011	Director, Vice President and Executive Officer in charge of Management Strategy, Group Strategy and Finance, Hitachi Plant Technologies, Ltd.
October 2009	General Manager, Finance Division, Hitachi Plant Technologies, Ltd.
October 2004	Executive Vice President and Chief Financial Officer, Hitachi America, Ltd.
June 2004	Senior Vice President and Chief Financial Officer, Hitachi America, Ltd.
August 1999	President & CEO, Hitachi Investment Management, Ltd.
April 1999	Deputy General Manager, Finance Department, Hitachi, Ltd.
April 1978	Hitachi, Ltd.

**【Reason for the appointment of the candidate for Outside Director and major roles expected】**

Mr. Hiroshi Maruta has deep insights in the field of finance and accounting and has extensive experience working overseas. Since the Company determines that he is expected to leverage his knowledge and experience for supervising the Company's management and to contribute to enhancing the function of the Board of Directors, the Company reappoints Mr. Maruta as a candidate for Outside Director.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Hiroshi Maruta.

**【Relations between the candidate and a specified related business operator】**

Mr. Hiroshi Maruta has served as executive officer of Hitachi, Ltd. before, which is a specified related business operator of the Company.

**【Tenure as director】**

The tenure of Mr. Hiroshi Maruta as director will reach six years upon conclusion of this General

Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

13/13

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Mr. Hiroshi Maruta to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Maruta to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Maruta as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.



**7. Hajime Watanabe** (Born: July 28, 1959)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



**• Career summary, positions, assignments, and important posts concurrently held**

June 2020	Outside Director, Hitachi Transport System, Ltd. (currently in office)
June 2013	Statutory Auditor (Outside Company), Meiji Holdings Co., Ltd.
June 2009	Statutory Auditor (Outside Company), FURYU Corporation
June 2007	Statutory Auditor (Outside Company), SEIKO PMC CORPORATION
April 2007	Established STW & Partners (currently known as SHIOMIZAKA) (currently in office)
May 1995	Admitted to the New York State Bar Association
September 1994	Admitted as Foreign Legal Consultant, Chicago Bar Association, Illinois
April 1987	Mori Sogo Law Offices (currently known as Mori Hamada & Matsumoto)

**【Reason for the appointment of the candidate for Outside Director and major roles expected】**

Mr. Hajime Watanabe is an attorney at law, who is savvy about international business and trade law. Since the Company determines that his specialized knowledge and experience are appropriate for supervising the Company's management helpful to enhance the function of the Board of Directors, the Company reappoints Mr. Watanabe as a candidate for Outside Director.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Hajime Watanabe.

**【Independence of Outside Directors】**

Since Mr. Hajime Watanabe fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Watanabe as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

**【Tenure as director】**

The tenure of Mr. Hajime Watanabe as director will reach one year upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

11/11

**【Limitation of liability agreement】**

The Company has entered into a limitation of liability agreement with Mr. Hajime Watanabe to limit his liability referred to in Article 423(1) of Japan's Companies Act for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Watanabe to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Watanabe as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

**8. Takashi Jinguji** (Born: October 13, 1955)

Number of the Company's shares owned: 3,000 shares

Candidate for Reappointment



**• Career summary, positions, assignments, and important posts concurrently held**

April 2019	Representative Executive Officer, Executive Vice President and Executive Officer and Board Director, Hitachi Transport System, Ltd. (currently in office)
March 2019	Board Director, AIT Corporation (currently in office)
June 2016	Board Director, Hitachi Transport System, Ltd. (currently in office)
April 2016	General Manager, Global Business Management Office, Hitachi Transport System, Ltd.
June 2015	President, VANTEC HTS FORWARDING, LTD
April 2014	General Manager, Global Corporate Strategy Office, Hitachi Transport System, Ltd.
April 2013	Senior Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2011	Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2008	Executive Officer (Chief Executive for Asia), Hitachi Transport System, Ltd. President, Hitachi Transport System (Asia) Pte. Ltd.
April 2006	Deputy General Manager, First Metropolitan Area Headquarters, Hitachi Transport System, Ltd.
February 2001	General Manager, General Affairs Department, First Metropolitan Area Headquarters, Hitachi Transport System, Ltd.
April 1979	Hitachi Transport System, Ltd.

**【Reason for the appointment of the candidate for Director】**

Since joining the Company, Mr. Takashi Jinguji has been engaged in a variety of operations including personnel management, labor management, marketing, strategy-making, and operations outside Japan. At present, he serves as Representative Executive Officer, Executive Vice President and Executive Officer and Board Director. The Company has determined that his wide-ranging business experience and knowledge makes him qualified as a director who can contribute to the enhancement of the Company's value. Therefore, the Company reappoints Mr. Jinguji as a candidate for Director again on this occasion.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Takashi Jinguji.

**【Tenure as director】**

The tenure of Mr. Takashi Jinguji as director will reach five years upon conclusion of this General

Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

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**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

**9. Yasuo Nakatani** (Born: November 12, 1955)

Number of the Company's shares owned: 6,000 shares

Candidate for Reappointment



**• Career summary, positions, assignments, and important posts concurrently held**

June 2013	Representative Executive Officer, President and Chief Executive Officer and Board Director, Hitachi Transport System, Ltd. (currently in office)
April 2013	Representative Executive Officer, Executive Vice President, Hitachi Transport System, Ltd.
July 2012	Deputy General Manager, UC Project Department, Hitachi Transport System, Ltd.
April 2012	Senior Vice President and Executive Officer, General Manager of Global Corporate Strategy Office and General Manager of AEO & Corporate Export Regulation Office, Hitachi Transport System, Ltd.
April 2010	Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2008	Chief Executive for North America, Hitachi Transport System, Ltd. President, Hitachi Transport System (America), Ltd.
April 2007	General Manager of Global Business Office and Deputy General Manager of Global Sales Development Headquarters, Hitachi Transport System, Ltd.
April 2006	Executive Officer, General Manager of International Sales Headquarters, Hitachi Transport System, Ltd.
April 2005	Deputy General Manager, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2004	General Manager, 1st Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2003	General Manager, 2nd Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
February 1999	International Sales Headquarters, Hitachi Transport System, Ltd. (dispatched from Hitachi Transport System (America), Ltd.)
April 1978	Hitachi Transport System, Ltd.

**【Reason for the appointment of the candidate for Director】**

Since his assumption of office as Representative Executive Officer, President and Chief Executive Officer and Board Director of the Company in June 2013, Mr. Yasuo Nakatani has been exercising strong leadership to enhance the Company's value. In light of his proven track record of successfully improving the Company's performance, the Company has determined that Mr.

Nakatani has the competence to promote the Company's global management and ensure ongoing enhancement of its corporate value. The Company therefore appoints Mr. Nakatani as a candidate for Director again on this occasion.

**【Special interest between the candidate and the Company】**

No special interest exists between the Company and Mr. Yasuo Nakatani.

**【Tenure as director】**

The tenure of Mr. Yasuo Nakatani as director will reach eight years upon conclusion of this General Meeting of Shareholders.

**【Number of Board of Directors meetings that the candidate attended during his/her tenure】**

13/13

**【Directors and officers liability insurance】**

With the intention of encouraging directors and officers to fully exercise expected roles in the course of executing their duties, the Company maintains a directors and officers (D&O) liability insurance policy set forth in Article 430-3 of Japan's Companies Act, in which all of the Company's directors are listed as insureds.

If this proposal is approved as it is by shareholders and then the candidate assumes the office of director, the candidate will be listed as an insured in this D&O liability insurance policy. This insurance policy covers the loss or damage for which any director or officer who is listed as an insured will be held liable in the context of execution of their duties or as a result of enforcement of such liability. However, insurance coverage is subject to some exclusions; for example, the insurance will not cover any loss or damage arising from an act performed by a director while knowing that it constitutes a violation of any law. The Company intends to renew the D&O liability insurance policy on the conditions same as those currently in effect.

### **[Reference] Criteria for Independence of Outside Directors**

Outside directors to whom none of the undermentioned standards applied will be appointed as independent officer without the possibility of any conflict of interest with general shareholders.

- (1) A director, auditor, accounting advisor, executive officer, corporate officer or manager and any other person equivalent thereto of a corporation or organization that holds 10% or more of the outstanding shares of the Company, either directly or indirectly, as of the end of the previous fiscal year (collectively, "Related Party"), or those who had been a Related Party in the last ten years
- (2) A Related Party of subsidiaries of corporation or organization described in (1)
- (3) A Related Party of a corporation or organization where 10% or more of its outstanding shares are owned, either directly or indirectly, by the Company as of the end of the previous fiscal year
- (4) A Related Party of a company whose transaction volume with the Company accounts for 2% or more of the Company's consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such company
- (5) A Related Party of a business partner that receives payments from the Company and its consolidated subsidiaries that account for 2% or more of such company's consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such business party
- (6) A Related Party of a financial institution from which the Company borrows the amount that accounts for 2% or more of the Company's consolidated total assets, or those who had been a Related Party in the last five years of such financial institution
- (7) A consultant, or accounting or legal professional who receives cash or other economic benefits equal to 10 million yen or more per year (average annual amount if the payment covers multiple fiscal years) in the last five years in addition to Director's compensation from the Company
- (8) A person who received donation or financial assistance equal to 10 million yen or more per year from the Company during the previous fiscal year, or those who belong to the recipient organization
- (9) A Related Party of a company that accepts director (s) or auditor (s) from the Company or its consolidated subsidiaries, or its parent company or consolidated subsidiaries
- (10) Spouses or relatives by blood or affinity within the second degree of kinship of those described in (1) through (9) (excluding those who are not in an important position such as officer)
- (11) Spouses or relatives by blood or affinity within the second degree of kinship of an executive director, executive officer, corporate officer, or manager or employees of the Company or its consolidated subsidiaries ("Executive"), or those who had been an Executive in the last ten years, and a Related Party of the Company or its consolidated subsidiaries

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