

To Our Shareholders



1-19, Odori Higashi 3-chome
Chuo-ku, Sapporo, Hokkaido
060-0041, Japan
kanamoto co., ltd.
Tetsuo Kanamoto, President

Notification and Invitation to the 56th Regular General Meeting of the Shareholders

On behalf of the company, I would like to express our sincere appreciation for your continuing support.

It is a pleasure to send you notification of the 56th Regular General Meeting of the Shareholders of Kanamoto Company, Ltd., which will be convened at the time and location indicated below.

If you are unable to attend the Meeting, please take a few moments to read the following reference documents for the General Meeting of the Shareholders, and exercise your voting rights by using either of the procedures indicated below.

[To exercise your shareholder voting rights in writing (by mail)]

Shareholders who wish to exercise their voting rights using the Form for Exercising Voting Rights are requested to use the enclosed form to cast an affirmative or negative vote regarding the resolutions presented for approval. Please sign your voting form and return it to us by 5:00 p.m. on Wednesday, January 27, 2021 (Japan time).

[To exercise your shareholder voting rights by Internet]

Shareholders who wish to exercise their voting rights using the Internet are requested to exercise their voting rights to cast an affirmative or negative vote regarding the resolutions presented for approval by 5:00 p.m. on Wednesday, January 27, 2021 (Japan time).

© Please refer to the Instructions When Exercising of Voting Rights Using the Internet, etc. provided below on Page 17 to 18.

1. Date and Time Thursday, January 28, 2021, 10:00 a.m. (Reception desk will open from 9:00 a.m.)
2. Location 11-1 Nishi, Kita 1-jo, Chuo-ku, Sapporo, Hokkaido, Japan
Royton Sapporo, 3rd Floor "Royton Hall"

3. Purpose and Topics of the Meeting

Matters to be reported

1. Report of Business Operations and the Consolidated Financial Statements, and the Report on Results of the Audit by the Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements, for the 56th Business Period (from November 1, 2019 to October 31, 2020)
2. Report of the Company Financial Statements for the 56th Business Period (from November 1, 2019 to October 31, 2020)

Resolutions to be presented for Shareholder Approval

- Resolution #1 Appointment of fourteen (14) individuals to position of Director
- Resolution #2 Determination of remuneration for granting restricted shares to Directors (excluding Outside Directors)

◎ Exercise of voting rights by proxy

When you will exercise your voting rights by proxy, one (1) other shareholder with voting rights can attend the General Meeting of the Shareholders as your representative. However, your proxy will be required to present documentation to verify he/she has the authority to vote on your behalf.

◎ When attending the General Meeting of the Shareholders on the scheduled date, please submit the enclosed Form for Exercising Voting Rights at the reception desk on the meeting date.

◎ As part of the documents to be provided to shareholders when issuing this notification to convene a Regular General Meeting of the Shareholders, information pertaining to matters that should be disclosed in the Notes to the Consolidated Financial Statements and Notes to the Company Financial Statements will be provided to shareholders in the form of documents available on Kanamoto's Internet website [<https://www.kanamoto.ne.jp>] based on laws and regulations and Article 16 of Kanamoto's Articles of Incorporation.

In addition to the matters described in the enclosed 56th Business Period Report of Business Operations, the matters that should be disclosed as Notes to the Consolidated Financial Statements and Notes to the Company Financial Statements are included as well in the Consolidated Financial Statements and Company Financial Statements that were audited when the Board of Corporate Auditors prepared its Audit Report and the Accounting Auditor prepared its Audit Report, respectively.

In the event of revisions to the Reference Documents for the General Meeting of the Shareholders described below and the Report of Business Operations or Consolidated Financial Statements and the Company Financial Statements described in the 56th Business Period Report of Business Operations, the Company will publish the changes on its Internet website [<https://www.kanamoto.ne.jp>].

<Please be sure to read>

Request to voluntarily refrain from attending the General Meeting of the Shareholders to prevent the spread of COVID-19

To prevent the spread of the novel coronavirus disease (COVID-19) we strongly ask that all shareholders refrain from attending the General Meeting of the Shareholders. We ask that you exercise your voting rights in writing or by using the Internet.

The Company will be taking the following measures with regard to the holding and operating of the General Meeting of the Shareholders to prevent the spread of COVID-19. We appreciate your understanding and cooperation.

- The staff at the meeting will be wearing masks.
- Alcohol-based hand sanitizer will be placed at the entrance of the meeting venue. All shareholders who attend the meeting are requested to bring and wear a mask.
- Because shareholders attending the meeting will be seated with spacing kept between each other in the meeting room, we ask that you follow the directions of the meeting staff.
- Because of the extra spacing between seats, the number of seats available at the venue will be much fewer compared with usual years. As a result, it is possible that some shareholders who come to the venue on the date of the meeting may be refused entry.
- Shareholders who display symptoms such as a fever or cough and shareholders who exhibit other states of poor health may be refused entry to the venue. In addition, the meeting staff may check the temperature of shareholders who come to the venue.
- The Company's officers attending the meeting may be wearing masks.
- The Company plans to omit detailed explanations of the matters to be reported (including the audit reports) and the resolutions to be presented to shorten the length of the meeting.

Note: If the above responses are updated before the meeting due to the situation regarding the spread of infection, details of announcements made by the government, etc., such information will be published on Kanamoto's Internet website [<https://www.kanamoto.ne.jp>]. Therefore, please be sure to check the website for any updates.

Reference Documents for the General Meeting of the Shareholders

Resolution #1 Appointment of fourteen (14) individuals to position of Director

The term of office of twelve (12) Company Directors will terminate at the conclusion of the Regular General Meeting of the Shareholders.

Therefore, the Company is requesting approval to appoint fourteen (14) individuals to the position of Directors for the purpose of strengthening the management structure.

Information on the candidates for Director is provided below.

Nominee number	Name	Gender	Position and duties at Kanamoto	Attribute of candidate		
1	Kanchu Kanamoto	Male	Chairman of the Board and Representative Director	Reappointment		
2	Tetsuo Kanamoto	Male	President and CEO, Corporate Officer, Executive Division Manager, Business Coordination Headquarters	Reappointment		
3	Hitoshi Narita	Male	Director, Corporate Officer, Division Manager, Business Administration Division	Reappointment		
4	Tatsuo Kanamoto	Male	Director, Corporate Officer Division Manager, Construction Equipment Rental Division serving concurrently as Regional Manager, Construction Equipment Rental Division Hokkaido Region and Manager in charge of Steel Sales Division	Reappointment		
5	Kazunori Hashiguchi	Male	Director, Corporate Officer, Division Manager, Human Resources Division serving concurrently as General Manager, Business Development Office	Reappointment		
6	Akira Sannomiya	Male	Corporate Officer, Regional Manager, Construction Equipment Rental Division West Japan Region and Kyusyu Region	Newappointment		
7	Jun Watanabe	Male	Corporate Officer, Division Manager, Construction Equipment Rental Division National Special Demand Sales Division and Manager in charge of New Products Office	Newappointment		
8	Shun Hirose	Male	Corporate Officer, Division Manager, Administration Division serving concurrently as General Manager, Public Relations Office and General Manager, Secretary Office	Newappointment		
9	Hideaki Yamashita	Male	Corporate Officer, Division Manager, Overseas Business Division	Newappointment		
10	Susumu Naito	Male	Outside Director	Reappointment	Outside	Independent
11	Eiji Arita	Male	Outside Director	Reappointment	Outside	Independent
12	Motoki Yonekawa	Male	Outside Director	Reappointment	Outside	Independent
13	Ayako Tabata	Female	Outside Director	Reappointment	Outside	Independent
14	Tetsuya Okawa	Male	—	Newappointment	Outside	Independent

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
1	Kanchu Kanamoto (November 29, 1946) [Reappointment]	April 1973	Joined Kanamoto Co., Ltd.	
		November 1981	Promoted to Director	
		January 1990	Promoted to Executive Director	
		April 1996	Promoted to Executive Vice President	
	June 1998	Promoted to President and CEO		
		January 2001	Promoted to Corporate Officer	
		November 2016	Promoted to Chairman of the Board and Representative Director (Present position)	
	[Main concurrent positions at other entities] Chairman of the Board, Kanamoto (China) Investment Co., Ltd.			
	[The reason that the Company has proposed Kanchu Kanamoto as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of Chairman of the Board and Representative Director of the Company. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.			
	Number of shares of Kanamoto stock owned	Number of years in office		Attendance at Board of Directors meetings
	489,100 shares	39years		6/6
2	Tetsuo Kanamoto (May 21, 1960) [Reappointment]	January 1983	Joined Kanamoto Co., Ltd.	
		September 2000	Regional Manager, Construction Equipment Rental Division Kanto Region	
		April 2001	Promoted to Corporate Officer	
		November 2002	Division Manager, Construction Equipment Rental Division	
		January 2004	Promoted to Director	
		June 2005	Executive Division Manager, Business Coordination Headquarters (Present position)	
		April 2012	Promoted to Senior Corporate Officer	
		November 2014	Promoted to Senior Vice President and Corporate Officer	
		November 2016	Promoted to President and CEO and Corporate Officer (Present position)	
		[Main concurrent positions at other entities] President and Representative Director, Toyo Industry Co., Ltd. Chairman of the Board and Representative Director, Unite Co., Ltd. Chairman of the Board and Representative Director, KG Flowtechno Co., Ltd. President and Representative Director, SOOKI HOLDINGS Co., Ltd. Chairman of the Board, KANAMOTO (HK) CO., LTD. Representative Director, Kanamoto & JP Nelson Equipment (S) PTE. Ltd. President and Representative Director, Kanamoto Australia Holdings Pty Ltd		
	[The reason that the Company has proposed Tetsuo Kanamoto as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of President and CEO, and as well as the duties of the division manager of a Business Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.			
	Number of shares of Kanamoto stock owned	Number of years in office		Attendance at Board of Directors meetings
	12,487 shares	17years		6/6

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)			
3	Hitoshi Narita (July 10, 1957) [Reappointment]	November 1981	Joined Kanamoto Co., Ltd.		
		January 2000	Division Manager, Business Planning Division (now Business Administration Division) (Present position)		
		January 2001	Promoted to Corporate Officer (Present position)		
	January 2004	Promoted to Director (Present position)			
	[Main concurrent positions at other entities] President and Representative Director, Kanatech Co., Ltd.				
[The reason that the Company has proposed Hitoshi Narita as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Management Planning Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.					
Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings	
7,000 shares		17years		6/6	
4	Tatsuo Kanamoto (February 2, 1962) [Reappointment]	April 1994	Joined Kanamoto Co., Ltd.		
		April 2001	Regional Manager, Construction Equipment Rental Division Kinki-Chubu Region		
		January 2003	Promoted to Corporate Officer (Present position)		
		April 2003	Regional Manager, Construction Equipment Rental Division Tohoku Region		
		April 2005	Regional Manager, Construction Equipment Rental Division Hokkaido Region (Present position)		
		January 2007	Promoted to Director (Present position)		
		February 2012	Promoted to Deputy Division Manager, Construction Equipment Rental Division		
		February 2014	General Manager, Steel Sales Division		
		February 2016	Manager in charge of Steel Sales Division (Present position)		
	April 2016	Regional Manager, Construction Equipment Rental Division Kanto & Koshinetsu Region			
	November 2016	Division Manager, Construction Equipment Rental Division (Present position)			
	[The reason that the Company has proposed Tatsuo Kanamoto as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Construction Equipment Rental Division and the general manager of the Steel Sales Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.				
	Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings
90,000 shares		14years		6/6	

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
5	Kazunori Hashiguchi (March 28, 1960) [Reappointment]	January 2012	Joined Kanamoto Co., Ltd. and appointed Corporate Officer (Present position) Assistant to General Manager, Business Coordination Headquarters	
		April 2012	Promoted to Director (Present position) Division Manager, Information Products Division Division Manager, Business Development Division (now General Manager, Business Development Office) (Present position)	
		November 2013	Manager in charge of New Products Office serving concurrently as Manager in charge of Construction Equipment Rental Division Event Marketing Division	
		February 2016	Manager in charge of Information Products Division	
		November 2018	Division Manager, Human Resources Division (Present position)	
[The reason that the Company has proposed Kazunori Hashiguchi as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the assistant general manager of a Business Division and the division manager of the Information Products Division and the Market Development Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has continued to appoint him as a candidate for director.				
Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings
1,400 shares		9years		6/6
6	Akira Sannomiya (February 22, 1965) [Newappointment]	March 1988	Joined Kanamoto Co., Ltd.	
		May 2012	General Manager Affiliated Business Office	
		April 2016	Regional Manager, Construction Equipment Rental Division Kansai & Tyubu Region(now West Japan Region) (Present position)	
		November 2019	Promoted to Corporate Officer (Present position)	
		November 2020	Regional Manager, Construction Equipment Rental Division Kyusyu Region (Present position)	
[The reason that the Company has proposed Akira Sannomiya as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the regional manager of the Construction Equipment Rental Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has newly appointed him as a candidate for director.				
Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings
9,681 shares		—		—

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
7	Jun Watanabe (January 2, 1970) [Newappointment]	September 1990 May 2006	Joined Kanamoto Co., Ltd. Division Manager, Construction Equipment Rental Division National Special Demand Sales Division (Present position)	
		January 2017	Promoted to Corporate Officer (Present position)	
		November 2018	Manager in charge of New Products Office (Present position) serving concurrently as Manager in charge of Construction Equipment Rental Division Event Marketing Division	
		[The reason that the Company has proposed Jun Watanabe as a candidate for Director] He has extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the National Special Demand Sales Division. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has newly appointed him as a candidate for director.		
	Number of shares of Kanamoto stock owned	Number of years in office		Attendance at Board of Directors meetings
	4,691 shares	—		—
8	Shun Hirose (July 1, 1964) [Newappointment]	April 1988	Joined The Industrial Bank of Japan, Limited (now Mizuho Bank, Ltd.)	
		April 2013	General Manager, Qingdao Branch, Mizuho Corporate Bank (China), Ltd. (now Mizuho Bank (China), Ltd.)	
		April 2016	General Manager, China Business Promotion Department, Mizuho Bank, Ltd.	
		June 2018 November 2018	Advisor, Kanamoto Co., Ltd. Joined Kanamoto Co., Ltd. and appointed Corporate Officer (Present position)	
		January 2019	Acting Division Manager, Administration Division Division Manager, Administration Division serving concurrently as General Manager, Public Relations Office and General Manager, Secretary Office (Present position)	
	[The reason that the Company has proposed Shun Hirose as a candidate for Director] He has knowledge in the fields of banking and finance through serving in positions of responsibility in Mizuho Bank Ltd. as well as extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Administration Division, Public Relations Division, and the Secretarial Office of the Company. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has newly appointed him as a candidate for director.			
	Number of shares of Kanamoto stock owned	Number of years in office		Attendance at Board of Directors meetings
	831 shares	—		—

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
9	Hideaki Yamashita (June 15, 1965) [Newappointment]	April 1988	Joined The Bank of Tokyo, Ltd. (now MUFG Bank, Ltd.)	
		September 2011	Deputy President, Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad (now MUFG Bank (Malaysia) Berhad)	
		April 2015	General Manager, Aoyamadori Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.	
		February 2017	General Manager, Akasaka Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd.	
		June 2018	Advisor, Kanamoto Co., Ltd.	
		November 2018	Joined Kanamoto Co., Ltd. and appointed Corporate Officer (Present position) Acting Division Manager, Overseas Business Division	
		January 2019	Division Manager, Overseas Business Division (Present position)	
[The reason that the Company has proposed Hideaki Yamashita as a candidate for Director] He has knowledge in the fields of banking and finance through serving in positions of responsibility in MUFG Bank Ltd. as well as extensive experience and expertise regarding the business activities of the Company through executing the duties of the division manager of the Overseas Business Office of the Company. From the perspective of promoting the sustainable growth of the Company and enhancing the medium- to long-term corporate value, the Company has judged him to be suitable as a director of the Company and has newly appointed him as a candidate for director.				
Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings
405 shares		—		—

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
10	Susumu Naito (July 4, 1967) [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 1990	Joined ORIX Corporation	
		November 2011	General Manager, Electric Power Business Department, ORIX Corporation	
		May 2012	General Manager, Electric Power Business Department, ORIX Corporation Promoted to President, ORIX Electric Power Corporation	
		March 2013	General Manager, Sales Department I, ORIX Corporation	
		January 2016	Trustee, Deputy Head, Tokyo Sales Headquarters, General Manager, Sales Department I, ORIX Corporation	
		January 2017	Trustee, Deputy Head, Eastern Japan Sales Headquarters, ORIX Corporation (Present position) President and Representative Director, ORIX Food Supply Corporation Outside Director, Kanamoto Co., Ltd. (Present position)	
		June 2018	Director, Hyakugo Leasing Company Limited	
		January 2019	Senior Managing Executive Officer, General Manager of Lease Sales Division, Manager in charge of Fleet Management Department, , and Supervising Manager of Truck Rental Division, ORIX Auto Corporation (Present position) and Risk Consulting Department and Purchasing Department	
		[The reason that the Company has proposed Susumu Naito as a candidate for Outside Director] Since he has successively held responsible positions in ORIX Corporation, and furthermore, has gained experience of management of its subsidiary, he can use his extensive experience and knowledge cultivated to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company’s business activities.		
		[Matters concerning independency] He has fulfilled the requirements of the “criteria for judging the independence of outside directors,” set forth by the Company, and the Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto’s shares are listed, of the position of Susumu Naito as an “independent officer” as provided by the rules etc. of both exchanges. The amount of transactions between the Company and the ORIX Group where he works is not more than 0.1% of the ORIX Group’s and the Company’s respective consolidated sales in the last fiscal year. Therefore, this has no impact on his independence.		
Number of shares of Kanamoto stock owned		Number of years in office	Attendance at Board of Directors meetings	
—		4years	5/6	

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
11	Eiji Arita (April 17, 1966) [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 1989	Joined ORIX Corporation	
		March 2005	Branch Manager, Kofu Branch Office, ORIX Corporation	
		March 2009	Branch Manager, Saitama Branch Office, ORIX Corporation	
		June 2009	Director of Japan Medicare Support Co., Ltd. (now UNIMAT Retirement Community Co., Ltd.)	
		March 2013	Block Manager, Integrated Central Block No. 2, ORIX Corporation	
		March 2015	Block Manager, Central Block, ORIX Corporation	
		January 2017	Administrative Officer, Deputy General Manager, Eastern Japan Sales Division, ORIX Corporation	
		January 2019	Executive Officer, Deputy General Manager, Corporate Sales Division, ORIX Corporation, Regional Sales Representative	
		April 2019	Director, Kyuko-Lease Inc. (Present position)	
		June 2019	Director, Torigin Lease Inc. (Present position)	
	January 2020	Executive Officer, Deputy General Manager, Corporate Sales Division (General Manager of Domestic Sales Division), ORIX Corporation (Present position)		
		Outside Director, Kanamoto Co., Ltd. (Present position)		
	<p>[The reason that the Company has proposed Eiji Arita as a candidate for Outside Director] Since he has successively held responsible positions in ORIX Corporation, he can use his extensive experience and knowledge cultivated to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company’s business activities.</p> <p>[Matters concerning independency] He has fulfilled the requirements of the “criteria for judging the independence of outside directors,” set forth by the Company, and the Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto’s shares are listed, of the position of Eiji Arita as an “independent officer” as provided by the rules etc. of both exchanges. The amount of transactions between the Company and the ORIX Group where he works is not more than 0.1% of the ORIX Group’s and the Company’s respective consolidated sales in the last fiscal year. Therefore, this has no impact on his independence.</p>			
	Number of shares of Kanamoto stock owned	Number of years in office	Attendance at Board of Directors meetings	
	—	1years	5/5	

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)	
12	Motoki Yonekawa (December 22, 1946) [Reappointment] [Candidate for Outside Director] [Independent Officer]	May 1985	Vice President, Sapporo Hokuyu Hospital
		April 1996	President, Sapporo Hokuyu Hospital of Medical Corporation Hokuyukai
		April 2007	Chairperson, Specified Medical Corporation Hokuyukai
		September 2011	Chairperson, Social Medical Corporation Hokuyukai (Present position)
13	Ayako Tabata (December 3, 1974) [Reappointment] [Candidate for Outside Director] [Independent Officer]	January 2016	Outside Director, Kanamoto Co., Ltd. (Present position)
		[The reason that the Company has proposed Motoki Yonekawa as a candidate for Outside Director] Although he has not participated in corporate management, he can use his experience and knowledge as an executive at a medical institute, which is in an industry different to that in which the Company operates, to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. [Matters concerning independency] He has fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and the Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed, of the position of Motoki Yonekawa as an "independent officer" as provided by the rules etc. of both exchanges. He currently serves as Chairperson of the Social Medical Corporation Hokuyukai, but there are no transactions between the Corporation and the Company. Therefore, this has no impact on his independence.	
		Number of shares of Kanamoto stock owned	Number of years in office
		—	5years
12	Ayako Tabata (December 3, 1974) [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 2000	Registered with the Sapporo Bar Association (joined Motohiro Asano Law Office)
		October 2002	Director, Lavender Law Office (Present position)
		May 2009	Director, The Medical Malpractice Information Center (Present position)
		May 2019	Deputy Representative, Sapporo Medical Malpractice Study Group (Present position)
13	Ayako Tabata (December 3, 1974) [Reappointment] [Candidate for Outside Director] [Independent Officer]	January 2020	Outside Director, Kanamoto Co., Ltd. (Present position)
		[The reason that the Company has proposed Ayako Tabata as a candidate for Outside Director] Although she has not participated in corporate management, she can use her extensive experience and knowledge developed as an attorney-at-law to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company's business activities. [Matters concerning independency] She has fulfilled the requirements of the "criteria for judging the independence of outside directors," set forth by the Company, and the Company has notified the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto's shares are listed, of the position of Ayako Tabata as an "independent officer" as provided by the rules etc. of both exchanges She currently serves as Director of Lavender Law Office, but there are no consultancy agreements or transactions between said firm and the Company. Therefore, this has no impact on her independence.	
		Number of shares of Kanamoto stock owned	Number of years in office
		—	1years
12	Ayako Tabata (December 3, 1974) [Reappointment] [Candidate for Outside Director] [Independent Officer]	Attendance at Board of Directors meetings	
		5/6	
		Attendance at Board of Directors meetings	
		5/5	

Nominee number	Name (Date of birth)	Employment history and position and duties at Kanamoto (Main concurrent positions at other entities)		
14	Tetsuya Okawa (January 12, 1966) [Newappointment] [Candidate for Outside Director] [Independent Officer]	April 1992	Registered with the Sapporo Bar Association	
		April 1998	Joined AKIO HASHIMOTO LAW OFFICE	
		April 1998	Partner, HASHIMOTO OKAWA LAW OFFICE (Present position)	
		April 2008	Vice President, Sapporo Bar Association	
		October 2012	Vice President, Children’s Shelter Rera Pirka (Non-Profit Organization) (Present position)	
		April 2013	Specially Appointed Professor, Graduate School of Law, Hokkaido University	
		October 2013	Member, HOKKAIDO PERSONNEL COMMISSION	
		April 2015	Executive Governor, Hokkaido Federation of Bar Associations	
		April 2017	President, Sapporo Bar Association	
		April 2018	President, Hokkaido Federation of Bar Associations	
	April 2020	Vice President, Japan Federation of Bar Associations (Present position)		
[The reason that the Company has proposed Tetsuya Okawa as a candidate for Outside Director] Although he has not participated in corporate management, he can use his extensive experience and knowledge developed as an attorney-at-law to contribute to the management of the Company and provide appropriate advice from a broad viewpoint concerning the Company’s business activities.				
[Matters concerning independency] He has fulfilled the requirements of the “criteria for judging the independence of outside directors,” set forth by the Company, and the Company intends to notify the Tokyo Stock Exchange and Sapporo Securities Exchange, the exchanges on which Kanamoto’s shares are listed, of the position of Tetsuya Okawa as an “independent officer” as provided by the rules etc. of both exchanges. The Company has entered into a client contract with the law office which he is the Director of. However, the remuneration fee under that contract is of a small amount and therefore, has no impact on his independence.				
Number of shares of Kanamoto stock owned		Number of years in office		Attendance at Board of Directors meetings
—		—		—

(Notes) 1. There are no special interests between the candidates for Director and the Company.

2. Susumu Naito, Eiji Arita, Motoki Yonekawa, Ayako Tabata and Tetsuya Okawa are candidates for Outside Director.

3. To enable its outside director to sufficiently demonstrate the role expected of them, the Company has set forth a provision in its Articles of Incorporation that enables the Company to enter into a contract (Contract of Limitation of Liability) with each Outside Director to the effect that, when circumstances correspond to the requirements provided in laws and regulations concerning liability for damages under Article 423 paragraph (1) of the Companies Act, said liability for damages shall be limited to the total maximum liability for damages provided in laws and regulations, and at the present time the Company has entered into a Contract for Limitation of Liability with each Outside Director. The Company plans to continue these contracts if the reappointment of Susumu Naito, Eiji Arita, Motoki Yonekawa and Ayako Tabata is approved, and plans to enter into identical contracts for limitation of liability if the appointment of Tetsuya Okawa is approved.

4. Ayako Tabata's name on the family registry is Ayako Kanno.

5. The details of "criteria for judging the independence of outside directors" set forth by the Company are stated on Page 13.

[Criteria for Judging the Independence of Outside Directors]

The Company has established the following Criteria for Judging the Independence of Outside Directors:

- (1) A person who is not a director involved in executing business operations, an executive officer, corporate officer, manager, auditor, or other employee of the Company or a consolidated subsidiary, or has not been executing business at the Company or a consolidated subsidiary within the previous ten years;
- (2) A person who is not a business partner who has received payments from the Company or a consolidated subsidiary or made payments to the Company or a consolidated subsidiary within the most recent three fiscal years equivalent to more than 2% of either of the party's consolidated sales, or a person who is not currently executing business at that company or has done so within the past three years;
- (3) A person who is not a specialist, such as a consultant, accounting professional or legal profession (or if the specialist is an institution, a person belonging to said institution) who received monetary or other compensation, other than director compensation, equivalent to 10 million yen or more per year on average from the Company within the last three fiscal years, or has received payments from the Company or any of its consolidated subsidiaries equivalent to 2% or more of the office's total sales;
- (4) A person who is not a spouse or relative within the second degree of kinship of, a director, an executive officer or corporate officer of the Company, or a consolidated subsidiary, or a person deemed to be insufficiently independent based on the conditions stipulated in (2) or (3) above;
- (5) A person who is not a major shareholder of the Company holding 10% or more of the current total voting rights or a person executing the business of a major shareholder;
- (6) A person who is not a director, corporate auditor, accounting advisor, executive officer, or corporate officer of a company that accepts directors or auditors from the Company or a consolidated subsidiary, its parent company, or subsidiary; or
- (7) A certified public accountant (or certified tax accountant) or staff, partner, or employee of the auditing corporation (or certified tax accounting firm) serving as the Company's or a consolidated subsidiary's accounting auditor or accounting advisor, or a person who has been in charge of auditing operations for the Company or a consolidated subsidiary within the past three years.

Resolution #2 Determination of remuneration for granting restricted shares to Directors (excluding Outside Directors)

At the 26th Regular General Meeting of the Shareholders held on January 24, 1991, shareholders approved the amount of remuneration, etc. for Directors shall not exceed ¥240 million per annum (excluding salaries and bonuses received as an employee).

The Company hereby proposes the new remuneration for granting restricted shares to Directors (excluding Outside Directors) of the Company (hereinafter "Eligible Directors") in order to provide them an incentive to sustainably increase the Company's corporate value and to further promote shared value between shareholders and them, separate to the remuneration limit stated above, as part of the revision of the remuneration plan for Directors.

The remuneration to be paid for granting restricted shares to Eligible Directors in accordance with the resolution hereby presented shall be monetary claims (hereinafter "Monetary Remuneration Claims") and the total amount shall be not more than ¥100 million per year, as an amount considered appropriate, taking into consideration the above objectives. The specific timing and allocation of payment to individual Eligible Directors shall be determined by the Board of Directors. Note, however, that remuneration for granting restricted shares shall not be provided to Outside Directors.

Furthermore, the above limit on remuneration amount shall not include the employee portion of salaries.

At present, there are 12 Directors (of which there are four Outside Directors) of the Company. If Resolution #1, "Appointment of fourteen (14) individuals to position of Director," is approved and adopted as proposed, there will be 14 Directors (of which there will be five Outside Directors) of the Company.

Pursuant to a resolution of the Board of Directors of the Company, Eligible Directors shall make contributions in-kind of all of the Monetary Remuneration Claims received in accordance with the resolution hereby presented to have common shares of the Company issued or disposed of, and the total number of common shares thereby issued or disposed of shall be 50,000 shares or less per year (provided that, if a split or consolidation of common shares of the Company (including allotment without contribution of common shares of the Company) is conducted on or after the day on which this resolution is approved or if any other necessity arises to adjust the total number of common shares of the Company issued or disposed of as restricted shares, the said total number shall be adjusted within a reasonable range).

The amount to be paid in per share in regard to this will be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding each date of resolution of the Board of Directors (if no transaction is made on that date, the closing price of the most recent trading day preceding that date) within the range in which the price may not be particularly advantageous to Eligible Directors who subscribe to the relevant common shares. Moreover, when issuing or disposing of the Company's common shares, an agreement on the allotment of restricted shares including the following provisions (hereinafter the "Allotment Agreement") shall be concluded between the Company and Eligible Directors.

(1) Transfer restriction period

Transfer restrictions shall be imposed on Eligible Directors (hereinafter "Transfer Restrictions") whereby they shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company they receive under the Allotment Agreement (hereinafter "Allotted Shares") for the period specified in advance by the Board of Directors of the Company (hereinafter "Restriction Period"), which shall be a period of between three years and 30 years from the date on which shares are allotted under the Allotment Agreement.

(2) Treatment upon retirement

If an Eligible Director retires from the position specified for a justifiable reason in advance by the Board of Directors before the Restriction Period expires, the Company shall automatically acquire the relevant Allotted Shares without contribution, unless the reason for his/her retirement from office is the expiration of the term of office, death, or other reason the Company's Board of Directors deems justifiable.

(3) Lifting of transfer restriction

Notwithstanding the provision of (1) above, the Company shall lift the Transfer Restrictions of all of the Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has remained in the position specified in advance by the Board of Directors of the Company throughout the Restriction Period. However, if, before the expiration of the Restriction Period, the Eligible Director retires from the position stipulated in (2) above for a justifiable reason stipulated in (2) above (expiration of term of office, death, etc.), the Company shall make reasonable adjustments as necessary to the number of the Allotted Shares subject to the lifting of Transfer Restrictions and the timing of the lifting of the Transfer Restrictions. Moreover, the Company will automatically acquire the Allotted Shares without contribution on which the Transfer Restrictions have not been lifted immediately after the Transfer Restrictions have been lifted in accordance with the above provisions.

(4) Treatment in case of a corporate reorganization

Notwithstanding the provision of (1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of the Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of the Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on the Allotted Shares for the number of shares that is reasonably determined by resolution of the Board of Directors of the Company, considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective. In addition, immediately after the Transfer Restrictions have been lifted in the case specified above, the Company shall automatically acquire, without contribution, those Allotted Shares for which the Transfer Restrictions have not been lifted.

(5) Other matters

Other matters concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

The right to vote at the general meeting of shareholders is an important right enabling all shareholders to participate in the Company's management. Please refer to the information below and exercise your voting right using one of the three methods below.



Attending the General Meeting of the Shareholders

Please submit the Form for Exercising Voting Rights at the reception desk (it does not need to be sealed).

Date and time of the Meeting: Thursday, January 28, 2021, 10:00 a.m.



Mailing the Form for Exercising Voting Rights

Please mail the Form for Exercising Voting Rights after indicating your approval or disapproval of each resolution on the form.

Deadline: To be returned by Wednesday, January 27, 2021, 5:00 p.m.

Guidance on filling in the Form for Exercising Voting Rights

Please indicate your approval or disapproval of each resolution here.

[Resolution]

If you approve all candidates, put a circle in "approval" box.

If you disapprove all candidates, put a circle in "disapproval" box.

If you disapprove of some candidates, put a circle in "approval" box, and write the candidates' number of whom you disapprove in the parenthesis.

The login ID and temporary password needed to exercise voting rights via the Internet are noted here.

* If attending the meeting on the scheduled date, exercising the voting right via mail or the Internet, etc. is unnecessary.



Exercise of voting rights using the Internet, etc.

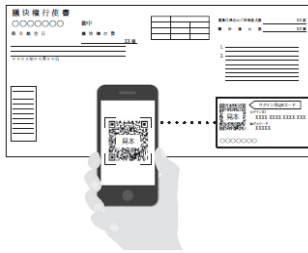
Please access the voting rights exercise site (<https://evote.tr.mufg.jp/>), and input your votes separately to approve or reject each proposal.

Deadline: Wednesday, January 27, 2021, 5:00 p.m.

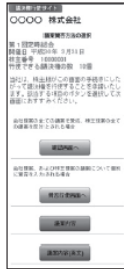
Please refer to the following pages for details.

Scanning the QR Code

You can log in the voting rights exercise site by scanning the QR Code without entering the login ID and temporary password recorded on the Form for Exercising Voting Rights.



1. Scan the QR Code provided on the Form for Exercising Voting Rights.
Note: "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.



2. Follow the instructions on the screen to input your approval or disapproval to each proposal.

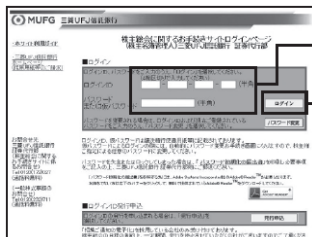
You can use the QR Code only one time to log in.

To change your votes or exercise your voting rights without using the QR Code, refer to "Entering a login ID and temporary password."

Entering a login ID and temporary password

Voting rights exercise site: <https://evote.tr.mufig.jp/> (Japanese only)

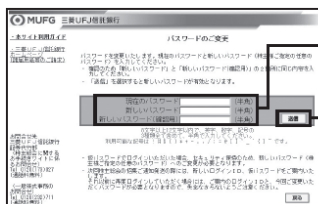
1. Access the voting rights exercise site.



2. Enter your login ID and temporary password recorded on the Form for Exercising Voting Rights and click the login button.

Enter your login ID and temporary password.

Click the login button.



3. Register your new password.

Enter your new password.

Click the send button.

4. Follow the instructions on the screen to input your approval or disapproval to each proposal.

Note: The operation screens shown are examples.

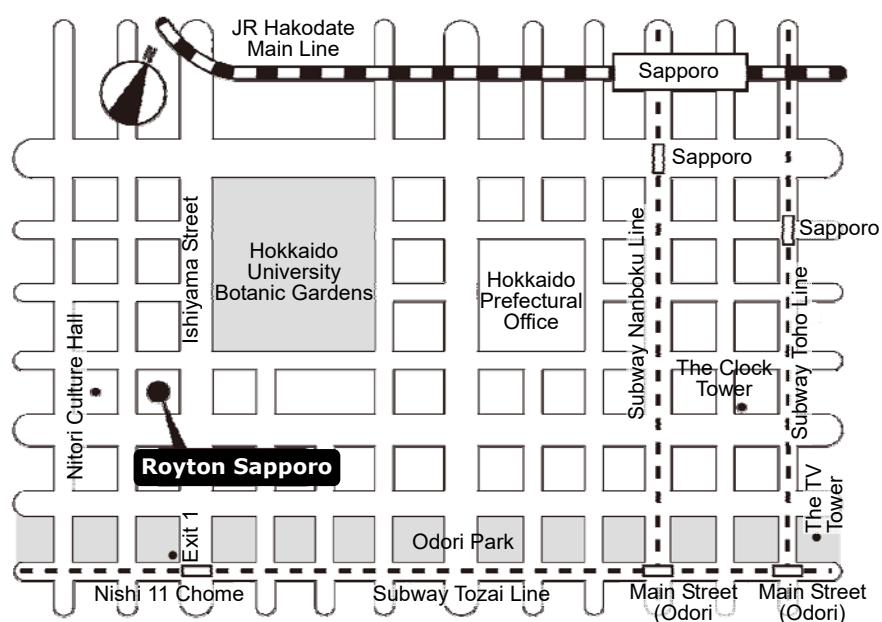
Please make inquiries to the help desk below with any questions.

< Inquiries concerning system environment, etc. >

Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Div. (Help Desk)
Telephone 0120-173-027 (Hours: 9:00-21:00, toll-free service in Japan only)

To institutional investors

The Company participates in electronic proxy voting platform for institutional investors operated by ICJ Inc.



Location: 11-1 Nishi, Kita 1-jo, Chuo-ku, Sapporo, Hokkaido, Japan
 Royton Sapporo, 3rd Floor "Royton Hall"
 Telephone (011) 271-2711 (Front Desk)

<Nearest stations>

Subway Tozai Line West 11-chome Station Turn left after emerging from Exit 1 at street level; the hotel is about 3 minutes on foot

JR Hokkaido Sapporo Station about 6 minutes by taxi

<Your cooperation is requested>

We ask that attendees please use public transportation facilities because parking will not be provided at the hotel. Your cooperation is appreciated.



1-19, Odori Higashi 3-chome, Chuo-ku, Sapporo, Hokkaido 060-0041, Japan