

Guideline on Attendance at the
General Shareholders Meetings of Japanese Listed Companies
by Global Institutional Investors
(Executive Summary)

1. Introduction

This guideline analyzes the legal issues involved in the attendance at the general shareholders meetings of Japanese listed companies by global institutional investors and other foreign or domestic institutional investors who are not on the shareholders registry of those companies (“**Global Institutional Investors**”) and illustrates the procedures required for such attendance.

The attendance at the general shareholders meetings by Global Institutional Investors has been the subject of discussion. Supplementary Principle 1.2.5 of Japan’s Corporate Governance Code recommends that “in order to prepare for cases where institutional investors who hold shares in street name express an interest in advance of the general shareholders meeting in attending the general shareholders meeting or exercising voting rights, companies should work with the trust bank (*shintaku ginko*) and/or custodial institutions to consider such possibility.” The “Report on the Study Group concerning Promoting Dialogue between Companies and Investors for Sustainable Growth,” released on April 23, 2015, recommends considering “key elements and responses to institutional investors who are not on the shareholder registrar but have good reason to attend the general shareholder meeting and are willing to attend as proxies for the shareholder on the shareholders registrar” and expects “related organizations to establish practical guidance.” The Revised Japan Revitalization Strategy approved by the Cabinet in June 30, 2015, states “in order to help companies to smoothly create their basic policies for the participation of global institutional investors, etc. not on the shareholders registry, at shareholders meetings, the Government will encourage organizations to establish guidelines by the end of 2015.”

Constructive dialogue between companies and investors will facilitate sustainable corporate value creation. Through dialogue, companies and investors are able to cooperate and enhance corporate value and capital efficiency with a mid- to long-term perspective. Some listed companies, such as companies with a high percentage of shares owned by Global Institutional Investors, are opening up dialogues with Global Institutional Investors to promote mutual understanding and discussion on business strategies. The general shareholders meetings can be a valuable opportunity for constructive dialogue, where executives of a company will be able to communicate with their shareholders directly about the company’s business and challenges such as operating performance, emerging problems and mid- to long-term strategies.

However, at present, the practice regarding the attendance at the general shareholders meeting by Global Institutional Investors has yet to be established. Under the Japanese Companies Act, only shareholders on the shareholders registry are legally allowed to attend the general shareholders meeting, ask the company questions and exercise voting rights. Though the Japanese Companies Act allows shareholders to exercise their voting rights via proxies (“Proxy” or “Proxies”), it is not necessarily clear whether Global Institutional Investors can attend the general shareholders meeting as Proxy since most listed companies limit the people qualified to serve as Proxies to their own shareholders by provisions in the articles of incorporation.

These guidelines delineate the legal issues and procedures involved in the attendance at the general shareholders meetings by Global Institutional Investors within the framework of the Japanese Companies Act. Needless to say, we do not have any official authority to interpret the Act, and these guidelines only demonstrate one idea, procedure or format herein. We hope positive progress to facilitate constructive dialogue between companies and Global Institutional Investors will continuously be made through each party's own initiatives.

2. Framework and key issues concerning attendance at the general shareholders meetings by Global Institutional Investors under the Japanese Companies Act

1) Attendance at the general shareholders meetings as shareholders

Under the Japanese Companies Act, only shareholders on the shareholders registry at the record date set by companies are legally allowed to attend the general shareholders meetings. Even those who have contributed to the fund or those who are authorized to give instructions on the exercise of voting rights are not allowed to attend the general shareholders meetings as shareholders if they are not on the shareholders registry. Though only shareholders on the shareholders registry at the record date are given legal standing to attend, in practice Global Institutional Investors have submitted applications to attend in the past. This requires sub-custodians (sub-custodians in Japan appointed by the global custodians through which the Global Institutional Investors custody assets) to contact the listed companies directly to receive permission for the Global Institutional Investor to attend. The company has the right to accept or deny the application.

Additionally, Global Institutional Investors may choose to register themselves directly through JASDEC using a FIAMI (Foreign Indirect Account Management Institutions) account structure. Further details regarding this application process are available at: <https://www.jasdec.com/en/system/less/participation/account/index.html>. This registration allows Global Institutional Investors' names to appear directly on the shareholders registry, thus providing them full rights to attend the general shareholders meetings.

2) Exercising voting rights via Proxy

Though only shareholders on the shareholders registry as of the record date are given legal standing to attend, in practice a few Global Institutional Investors have submitted applications to attend in the past.

One measure for Global Institutional Investors to attend the general shareholders meetings would be to become Proxy for shareholders on the shareholders registry such as global custodians.

The Japanese Companies Act allows shareholders to exercise their voting rights via Proxy. Shareholders or Proxies must submit to the company a document evidencing the authority of Proxy for each general shareholders meeting. The company may restrict the number of Proxies who may attend the general shareholders meeting to prevent any disturbances at the general shareholders meeting (Art. 310, pars. 1, 2, and 5 of the Japanese Companies Act). Such a restriction might be a problem if several Global Institutional Investors express their interest in attending a general shareholders meeting as Proxy for the same shareholder on the shareholders registry. There might be room to argue that, in some cases, such a restriction does not apply since there is a distinct necessity to nominate several Proxies and nominating several Proxies does not always necessarily disturb the general shareholders meeting.

3) The articles of incorporation limiting the qualification of Proxies

Most listed companies in Japan limit the people qualified to serve as Proxies to their own shareholders on the shareholders registry by provisions in their articles of incorporation, and those provisions are regarded as valid by the Japanese Supreme Court (Supreme Court Judgement, 1 November, 1968, Minshu Vol.22, No. 12, p.2,402).

However, such provisions in the articles of incorporation do not apply where "Special Circumstances" exist. In a Supreme Court Case (Supreme Court Judgement, 24 December,

1976, Minshu Vol.30, No.11, p.1,076), the Supreme Court held that Special Circumstances exist (i) where there is no possibility of the general shareholders meeting being disturbed by the attendance of Proxy and there is no harm to the Company's interests and (ii) where the shareholder's right to vote will be substantially inhibited by not allowing the exercise of voting rights via Proxies by those who are not on the shareholders registry. Thus, it is possible to argue that in some cases, the exercise of voting rights by Global Institutional Investors as Proxies is allowed regardless of such a provision in the articles of incorporation.

The exercise of voting rights by those who are not allowed to exercise voting rights at the general shareholders meetings constitutes a good reason to claim revocation of a resolution of the general shareholders meeting by filing an action. On the other hand, prohibiting the exercise of voting rights via Proxy, if the provision limiting the qualification of Proxies in the articles of incorporation obviously does not apply, may also constitute a good reason to claim revocation of a resolution. Therefore, companies need to confirm whether they should allow Proxies to attend the general shareholders meeting.

4) Diverse exercise of voting rights

The Japanese Companies Act allows shareholders to diversely exercise their voting rights, and companies must not refuse the diverse exercise of voting rights where a shareholder holds shares for the benefit of another person, such as a trustee or a partner of a partnership (Art. 313, pars. 1 and 3 of the Japanese Companies Act). Global custodians who hold shares in their own name for Global Institutional Investors using omnibus accounts under custody agreement are considered to hold those shares for the benefit of Global Institutional Investors. Thus, companies must allow global custodians to diversely exercise their votes in accordance with the instructions of Global Institutional Investors.

5) Double exercise of voting rights

Under the Japanese Companies Act, companies may allow shareholders prior to the general shareholders meeting to exercise their voting rights in writing and/or by electromagnetic method (Art. 298, pars. 1 item 3 and 4 of the Japanese Companies Act), and in principle, companies with more than 1000 shareholders must allow shareholders to exercise their votes in writing (Art. 298, pars. 2 of the Japanese Companies Act).

In case where shareholders exercise their voting rights prior to the general shareholders meetings and also attend and exercise the voting rights of the same shares at the general shareholders meetings, the exercise of voting rights at the general shareholders meetings shall supersede the ex-ante exercise of voting rights. To avoid double counting, the number of voting rights exercised prior to the general shareholders meetings shall be subtracted from the total number of voting rights exercised by the same shareholder.

After the general shareholders meeting, listed companies are required to file a report stating the result of the general shareholders meeting, including among others, the number of affirmative, dissenting and abstained votes, with the competent authority without delay (Article 24-5, paras. 4 of the Japanese Financial Instruments and Exchange Act). Thus, companies are required to understand in a timely and accurate manner the status of voting rights that have already been exercised, and this guideline illustrates the procedure and formats from such perspective.

6) Sub-custodian

In many of the articles of incorporation or share handling regulations (*kabushiki toriatsukai kitei*) of Japanese companies, there is a provision that requires foreign shareholders

to nominate a sub-custodian in Japan as a proxy to receive notices from the company, and such proxies are called sub-custodians (*jonin-dairinin*). In most cases, sub-custodians are granted comprehensive proxy by foreign shareholders. Foreign shareholders appoint banks or securities firms engaged in custody business in Japan as sub-custodians and notify the company of such appointment. Thereafter, communications between the foreign shareholders and the companies are made via such sub-custodians. Therefore, the procedure illustrated in this guideline relies on the cooperation of such sub-custodians to address with Global Institutional Investors outside Japan.

3. Four routes for Global Institutional Investor to attend the general shareholders meeting

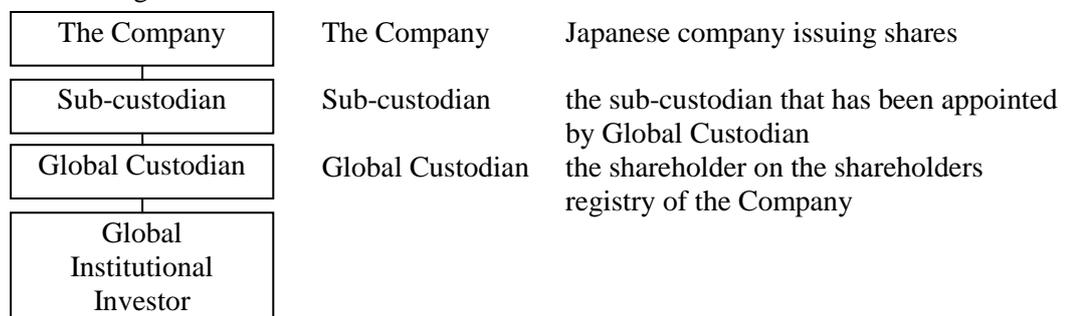
Based on the key issues under the Japanese Companies Act as described above, four routes are available for Global Institutional Investor to attend the general shareholders meeting of listed companies (with a provision in the articles of incorporation that limits the people qualified to serve as Proxies to their own shareholders) (see Chart 1). For your understanding, we have provided simple model cases (see Chart 2).

Chart 1 : Outline of four routes

Route A	<ul style="list-style-type: none"> Global Institutional Investor becomes a shareholder on the shareholders registry at the record date and also becomes appointed as Proxy for Global Custodian, attend the general shareholders meeting as a shareholder and Proxy.
Route B	<ul style="list-style-type: none"> Global Institutional Investor attends the general shareholders meeting as an observer.
Route C	<ul style="list-style-type: none"> Global Institutional Investor attends the general shareholders meetings as Proxy for Global Custodian by demonstrating there are “Special Circumstances.”
Route D	<ul style="list-style-type: none"> Company amends its articles of incorporation to add a new clause that allows Global Institutional Investor to attend the general shareholders meeting as Proxy for Global Custodian.

Chart 2 : Terms and the model cases used in this guideline

- Case 1 Global Custodian holds 100 units of shares of the Company for Global Institutional Investor, and Global Institutional Investor is interested in attending the Company’s general shareholders meeting.
- Case 2 Global Custodian holds 60 units of shares of the Company for Global Institutional Investor and 40 units of shares for other investors using an omnibus account, and Global Institutional Investor is interested in attending the Company’s general shareholders meeting.



[Route A]

Global Institutional Investor becomes a shareholder on the shareholders registry that holds more than one unit of shares at the record date for the general shareholders meeting and also get appointed as Proxy for Global Custodian for 100 (Case 1) or 60 (Case 2) units of shares and attend the general shareholders meeting as a shareholder and Proxy.

Note

This route can be utilized where Global Institutional Investor can hold more than 1 unit of shares as a shareholder on the shareholders registry at the record date for the general shareholders meeting.

[Route B]

Global Institutional Investor attends the general shareholders meeting as an observer.

Note

An observer cannot exercise any shareholder's rights, including voting rights and the right to ask questions at the general shareholders meeting, since an observer is neither a shareholder or Proxy at the general shareholders meeting. However, this route can be utilized where the purpose of Global Institutional Investor is not to exercise its voting rights at the general shareholders meeting, but, for example, to understand the manager's behavior or attitude at the general shareholders meeting. Under the Japanese Companies Act, the Company has reasonable discretion in deciding whether to allow an observer to attend the general shareholders meeting.

[Route C]

Global Institutional Investor attends the general shareholders meeting as Proxy for Global Custodian by demonstrating "Special Circumstances."

Note

This route illustrates a way for Global Institutional Investor to attend the general shareholders meeting even where the Company's articles of incorporation limits the people qualified to serve as Proxies to their own shareholders.

Special Circumstances include (i) where prefectures, cities or stock corporations are the shareholders on the shareholders registry and appoint their staff or employees as their Proxy, (ii) where a hospital patient is the shareholder and appoints their family as their Proxy, (iii) where a parent is appointed as Proxy for minor who is the shareholder on the shareholders registry, (iv) where foreign institutional investors are the shareholders and appoint Sub-custodians as their Proxy, or (v) where Global Institutional Investors are the settlors of investment trusts that are subject to Art. 10 of the Act on Investment Trusts and Investment Corporations and appointed by Global Custodians to attend the general shareholders meeting as their Proxies. In addition, there are some Global Institutional Investors that are not subject to Art. 10 of the Act on Investment Trusts and Investment Corporations, but their legal statuses are similar to settlors that are subject to Art. 10 of the Act on Investment Trusts and Investment Corporations, in the sense that Global Institutional Investors decide how to exercise the voting rights based on their fiduciary duty to their customers and the Global Custodian must accept the Global Institutional Investor's instructions. Clarification of the range of Special Circumstances relies on the interpretation of the Japanese Companies Act, of which further precedents are needed.

We expect that Global Custodian will demonstrate the existence of Special Circumstances by submitting a document (see "Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting" (Form

1)) through Sub-custodian, since the Company cannot identify Global Institutional Investor behind Global Custodian.

[Route D]

The Company amends the articles of incorporation to add a new clause that allows Global Institutional Investor to attend the general shareholders meeting as Proxy for Global Custodian.

Example

Article X (Exercising Voting Rights via Proxy)

- (i) A shareholder may appoint one shareholder having voting rights to be their proxy in order to exercise their voting rights.
- (ii) Notwithstanding the provisions of the preceding paragraph, in accordance with the provisions in the share handling regulations (*kabushiki toriatsukai kitei*), institutional investor who holds shares in the name of trust banks or other similar entities and is not on the shareholders registry may attend the general shareholders meeting and exercise voting rights as a proxy.

Note

In contrast to Route C, where the definition or range of “Special Circumstances” is not clear, this route may broadly allow Global Institutional Investor to attend the general shareholders meeting and may enhance legal stability of the procedures for allowing Global Institutional Investor to attend the general shareholders meeting.

The definition of “institutional investor” and the requirements and procedures to attend the general shareholders meeting may be reasonably prescribed in the provisions in the share handling regulations.

For the comparison of each Route, see Chart 3.

Chart 3 : Comparison of each route

	Advantages	Note
Route A	<ul style="list-style-type: none"> • Clear that Global Institutional Investor can be Proxy even under the provisions in the articles of incorporation limiting the qualifications to serve as Proxy. • Legally stable. 	<ul style="list-style-type: none"> • Global Institutional Investor must hold more than 1 unit of shares (<i>tangen</i>) as a shareholder on the registry at the record date for the general shareholders meeting.¹
Route B	<ul style="list-style-type: none"> • No conflict with the provisions in the articles of incorporation. • No risk of the double exercise of voting rights. 	<ul style="list-style-type: none"> • Cannot exercise voting rights or ask questions at the general shareholders meeting. • The Company has the discretion to decide whether Global Institutional Investor may attend as an observer.
Route C	<ul style="list-style-type: none"> • No need to hold more than 1 unit of shares at the record date for the general shareholders meeting. • No need to amend the articles of incorporation. 	<ul style="list-style-type: none"> • The definition or range of “Special Circumstances” needs to be clarified from the perspective of legal stability.
Route D	<ul style="list-style-type: none"> • Can broadly allow Global Institutional Investor to attend the general shareholders meeting in contrast to Route C. • Clear and legally stable whether and how Global Institutional Investor can attend the general shareholders meeting. 	<ul style="list-style-type: none"> • Need a resolution of the general shareholders meeting to amend the articles of incorporation. • The definition or range of “institutional investor” and the procedure to attend the general shareholders meeting need to be described in the share handling regulations.

¹ In some cases, Global Institutional Investors may choose to register themselves directly through JASDEC using a FIAMI (Foreign Indirect Account Management Institutions) account structure. Further details regarding this application process are available at: <https://www.jasdec.com/en/system/less/participation/account/index.html>. This registration allows Global Institutional Investors’ names to appear directly on the shareholders registry.

Practical Guidance for the Attendance at the General Shareholders Meeting
by Global Institutional Investor

1. Outline of the model process

	Global Institutional Investor	Global Custodian	Sub-custodian	Company
<p>Early start on communication between Global Institutional Investor and the Company is preferred.</p>	<p>Notify the Company of intention to attend the general shareholders meeting.</p>			<ul style="list-style-type: none"> - Confirm the purpose of attendance. - Confirm language capability. - Suggest Route A (if notified before record date). - Suggest Route B. - Suggest Route C/D. - Explain which documents are required.
<p>Date on which the general shareholders meeting notice is sent</p>				
		<p>Prior notification of the diverse exercise of voting rights.</p>		
	<p>Request to draft required documents.</p>	<p>Draft and deliver required documents.</p>		
	<p>[required documents]</p> <ul style="list-style-type: none"> (i) the Proxy Form (ii) Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting (Form 1) As may be necessary (iii) Certification issued by Sub-custodian (Form 2) (vi) Notice of Employee Appointment as Acting Representative (Form 3) (v) Other documents 			
		<p>Submit copies of required documents.</p>		<ul style="list-style-type: none"> - Notify the Global Institutional Investor of the Company's decision on whether the Global Institutional Investor can attend or not.

			↔	- Communicate, as necessary.
Date of the general shareholders meeting	Submit required documents.			

2. Model procedures

- 1) If Global Institutional Investor notifies the Company of their intention to attend the general shareholders meeting via Sub-custodian, the Company may conduct the procedures below. Considering the Company's preparation schedule for the general shareholders meeting, an early start on communication between Global Institutional Investor and the Company is preferred. In addition, it is expected that communications and procedures between Global Institutional Investor and the Company will be conducted via the Sub-custodian.

The Company will;

- (a) Confirm Global Institutional Investor's purpose of attending.
 - (b) Suggest Route A, if notified before record date for the general shareholders meeting and Global Institutional Investor is willing to exercise voting rights at the general shareholders meeting.
 - (c) Suggest Route B, if Global Institutional Investor is not interested in exercising voting rights at the general shareholders meeting.
 - (d) If it is difficult to suggest Route A or B, and the Company has amended the provisions in the articles of incorporation, suggest Route D.
 - (e) If it is difficult to suggest other routes, suggest Route C.
 - (f) Explain the required documents and the submission deadline for each route.
- 2) If Global Institutional Investor has the intention to attend and exercise voting rights at the general shareholders meeting, the documents below may be requested by the Company. After confirming the submitted copies of the required documents, the Company will notify Global Institutional Investor of its decision as to whether Global Institutional Investor can attend the general shareholders meeting.

- (a) the Proxy Form

In Route A, Route C and Route D, the Proxy Form issued by Global Custodian is required since Global Institutional Investor will be attending the general shareholders meeting as Proxy for Global Custodian. If Sub-custodian is granted comprehensive proxy by Global Custodian, Sub-custodian may issue the Proxy Form.

- (b) Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting (Form 1)

The exercise of voting rights by Global Institutional Investor at the general shareholders meeting supersedes the result of the exercise of its voting rights prior to the day of the general shareholders meeting. Therefore, a "Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting" (Form 1) may be required to certify that Global Institutional Investor has the authority to give instructions for the exercise of voting rights written in the Proxy Form exclusively, because it is difficult to confirm the exclusive authority from the contents of the Proxy Form.

As described in 2. 5) of the Guideline, the Company is required to understand in a timely and accurate manner the status of voting rights that have already been exercised, and Global Custodian is requested to notify the number of voting rights exercised prior to the issue date of Form 1. If there is any change in the

exercise of voting rights after the issue date but prior to the general shareholders meeting, Global Custodian should notify the Company via Sub-custodian.

Form 1 is intended to be used primarily in Route C, and in order to be used in Route D, some modification may be required in accordance with the provisions in the articles of incorporation and share handling regulations.

Furthermore, issuing a certificate certifying that the Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting was truly issued by Global Custodian (“Certification issued by Sub-custodian” (Form 2)) might help the Company to examine the trustworthiness of the certification. In case Sub-custodian issues both the Proxy Form and the Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting (Form 1), the Certification issued by Sub-custodian (Form 2) may not necessarily be required.

3) Delivery of the required documents at the general shareholders meeting

Global Institutional Investor needs to submit the required documents, of which copies are submitted to the Company in advance, to the reception desk at the general shareholders meeting. On this occasion, the Company may request Global Institutional Investor to submit the following documents as well.

(a) Notice of Employee Appointment as Acting Representative (Form 3)

In case Global Institutional Investor is a corporation organization, it might be difficult for a representative director or an executive of the organization to attend the general shareholders meeting by themselves. In such cases, Global Institutional Investor may submit Notice of Employee Appointment as Acting Representative (Form 3) to the Company and appoint its employee as its representative to attend the general shareholders meeting.

(b) Identification Confirmation Documents

In order to identify that the very person who have arrived at the general shareholders meeting is the correct person written in the Proxy Form, the representative might be required to submit identification confirmation documents. An identification document for the Global Custodian, such as a proxy card, is also required for confirmation purposes.

Certification for Global Institutional Investor to Exercise Voting Rights
by Proxy at the General Shareholders Meeting (Form 1)¹

Date/Month/Year^{2 3 4}

To [Name of the Company]

Address	[Address on the shareholders registry]
Name	[Name on the shareholders registry]
[Sub-custodian]	[Address on the notification of appointment of the Sub-custodian]
	[Name on the notification of appointment of the Sub-custodian]
Representative	<u>Seal</u> ⁵

We certify and pledge the following matters and appoint the party in paragraph 2 below as our true and lawful proxy (“Proxy”) at the general shareholders meeting in paragraph 1 below (the “General Shareholders Meeting”) for [all/part] of your shares that we hold as a shareholder on the shareholders registry (the “Shares”).

1. The General Shareholders Meeting

- (1) Date/Month/Year
- (2) Type of general shareholders meeting (ordinary/extraordinary/class)
(multiple selection allowed)

2. Proxy

- (1) Address
- (2) Name⁶
- (3) Either of the following “Special Circumstances,” (i) or (ii) (select and circle one), in which the exercise of voting rights via Proxy should be allowed, applies to Proxy and the Shares:
 - (i) the Shares are property of an investment trust that are subject to Art. 10, pars. 1 and 2 of the Act on Investment Trusts and Investment Corporations and Art. 42, pars. 1 item 2 and pars. 2 of Financial Instruments and Exchange Act, and Proxy is to instruct the exercise of voting rights as a settlor company of such investment trust; or
 - (ii) other Special Circumstances as described below apply (e.g., to the best of our knowledge, there is no possibility that Proxy’s attendance and the exercise of voting rights would disturb the General Shareholders Meeting, and the shareholders’ right to vote would be substantially inhibited if the exercise of voting rights via Proxy were not allowed).

[]

The shareholder on the shareholders registry, Proxy and we understand and agree that whether Proxy is, based on the Special Circumstances above, legally permitted to attend the General Shareholders Meeting depends on the interpretation of the Japanese Companies Act and your articles of incorporation, and will follow your reasonable decision on whether Proxy can attend the General Shareholders Meeting.

3. Total number of voting rights as at the record date for the General Shareholders Meeting
[100 units]

4. (1) The number of voting rights Proxy has the right to instruct out of the voting rights listed in 3 above (the “Voting Rights Exercised via Proxy”).
[100/60 units]

(2) No one except Proxy has the right to instruct the exercise of the Voting Rights Exercised via Proxy.

5. The status of the Voting Rights Exercised via Proxy

(1) For the status of the Voting Rights Exercised via Proxy that have already been exercised in writing or electromagnetic methods as of today, see Annex 1.

(2) We will promptly notify you if there is any change in the status of the Voting Rights Exercised via Proxy by the day before the General Shareholders Meeting.

(3) Proxy’s attendance at the General Shareholders Meeting should be recorded the same as if we had attended the General Shareholders Meeting.

6. Others

The shareholder on the shareholders registry, Proxy and we understand that Proxy cannot attend the General Shareholders Meeting if there is any material mistake in this certification and will hold you harmless regarding any such mistake.⁷

¹ Global Custodian and/or Sub-custodian should consider whether to draft the Proxy Form (proxy form issued by Global Custodian to appoint Global Institutional Investor as Proxy) independently or to add the contents of the Proxy Form herein. Please note that the Proxy Forms are subject to inspection and copying requests (Art. 310, pars. 7 of the Japanese Companies Act).

² The Company may decide in advance the final submission deadline of a copy of this certification, which will be set on the premise that the Company confirms Global Institutional Investor’s purpose in attending the General Shareholders Meeting and explains to Global Institutional Investor the required procedures well in advance of the final submission deadline. The copy of this certification may be submitted in PDF format.

³ It is said to be practically difficult for Sub-custodian and Global Custodian to prepare a certification and other documents in the middle of the season of the general shareholders meeting in Japan. Thus, the practical deadline for Global Institutional Investor to finish preparing to attend the General Shareholders Meeting may be earlier than the deadline decided by the Company in advance.

In addition, if Global Institutional Investor wishes to attend the General Shareholders Meeting using Route C with Special Circumstance (ii) or if the Company needs some time to examine whether it can allow Global Institutional Investor to attend the General Shareholders Meeting (e.g., complicated factual background), attendance may not be allowed due to the shortage of time available to the Company unless the required documents are submitted well in advance of the General Shareholders Meeting.

⁴ Global Institutional Investor should submit the original of this certification to the reception desk at the General Shareholders Meeting.

⁵ Sub-custodian may issue the Proxy Form and this certification, based on the authorization of Global Custodian.

⁶ The number of Proxies attending the General Shareholders Meeting will be one per Global Institutional Investor in accordance with the provisions in the articles of incorporation.

⁷ This writing may be added.

Date / Month / Year ¹

Half part of seal²

Name of the Company _____

Name on the Shareholders Registry _____

_____ ³

(Shareholder Number) (_____)

Proxy _____

Sub-custodian _____ ⁴

The status of the Voting Rights Exercised via Proxy that have already been exercised by Proxy is as follows.

[Table 1]

Proposals	The number of Voting Rights Exercised via Proxy affirmed, dissented, abstained and unexercised.				
	Affirmed	Dissented	Abstained	Unexercised	Total
1	units	units	units	units	[100/60]units
2	units	units	units	units	[100/60]units
3	units	units	units	units	[100/60]units
4	units	units	units	units	[100/60]units
5	units	units	units	units	[100/60]units
6	units	units	units	units	[100/60]units
7	units	units	units	units	[100/60]units

[If there are proposals for the appointment of directors, company auditors and others, and the yeas and nays differ for each nominee, complete Table 2 below and leave Table 1 blank.]

[Table 2]

Proposal	Nominee's No.	Affirmed	Dissented	Abstained	Unexercised	Total
Proposal for the appointment of directors	Nominee 1					[100/60] Units
	Nominee 2					[100/60] Units
	Nominee 3					[100/60] Units
	.					.
Proposal for the appointment of company auditors	Nominee 1					[100/60] Units
	Nominee 2					[100/60] Units
	Nominee 3					[100/60] Units
	.					.



(Instructions)

1. The number of voting rights “Abstained” shall be written only for those that have been instructed to abstain. The number of voting rights abstained shall be included in the number of voting rights exercised.

¹ Though this document will be submitted together with Form 1, please date this document as well.

² In this document, a seal, half of which is affixed on Form 1 and half on page 1 of this document is required to clarify that this document is submitted together with Form 1. If foreign shareholders do not have seals, other measures should be taken to clarify that this document is submitted together with Form 1.

³ A seal is not required here since a seal is required in Form 1, which is submitted together with this document. However, a seal may be required if a company so decides.

⁴ Though Form 1 already requires the address and the name of the Sub-custodian, please fill in the same information in this document to clarify that this document is submitted together with Form 1.

Certification Issued by Sub-custodian (Form 2)

Date/Month/Year

To [Name of the Company]

Address _____
Name of the Sub-custodian¹ _____
Representative _____ Seal

We certify that the following documents attached to this certification are truly issued by [name of Global Custodian], [Address of Global Custodian] ([name of Representative]) (the “Shareholder on the Shareholders Registry”). We pledge that, with respect to the exercise of voting rights delegated to the Global Institutional Investor appointed in the Proxy Form (para. 2 below) as Proxy for the Shareholder on the Shareholders Registry, we will not exercise such voting rights or appoint others as a sub-agent to exercise such voting rights at the general shareholders meeting identified in the Proxy Form.^{2 3}

1. Certification for Global Institutional Investor to Exercise Voting Rights by Proxy at the General Shareholders Meeting (Form 1, including the Annex) as of Date/Month/Year
2. The Proxy Form as of Date/Month/Year

¹ In case the Shareholder on the Shareholders Registry is a foreign shareholder, its Sub-custodian will coordinate and submit the required documents.

² The voting rights of the Shareholders on the Shareholders Registry that are not subject to the Proxy Form for the Global Institutional Investor will be exercised by Sub-custodian based on its comprehensive proxy.

³ In most cases, Sub-custodians have the right to exercise voting rights as the comprehensive proxies of Shareholders on the Shareholders Registry. However, in this case, in order to clarify that the right to exercise voting rights belongs exclusively to the Shareholders on the Shareholders Registry, Sub-custodians are required to pledge that they will not exercise their voting rights (including the right to appoint sub-agents) with respect to the voting rights subject to the Proxy Form. The voting rights that are not subject to the Proxy Form for the Global Institutional Investor will be exercised by Sub-custodian based on its comprehensive proxy.

Notice of Employee Appointment as Acting Representative (Form 3)

Date/Month/Year

To [Name of the Company]

Proxy of (Name of the Shareholder on the Shareholders Registry)

Name of Proxy _____

Representative _____ Seal

We hereby notify that we will send [name of the acting representative] as our acting representative to exercise the voting rights below at the [name of the Company] [number of the general shareholders meeting] (ordinary/extraordinary/class) general shareholders meeting (including postponement and adjournment) scheduled in [Date/Month/Year].

1. The acting representative will exercise the voting rights in accordance with our instructions (see the Table below) regarding the proposals below at the [name of the Company] [number of the general shareholders meeting] (ordinary/extraordinary/class) general shareholders meeting (including postponement and adjournment) scheduled in [Date/Year/Month].
2. The acting representative will exercise the voting rights based on the purpose of para. 1. above, in case any amendments are made to proposals.
3. The acting representative will exercise the voting rights regarding any proposal or motion at the general shareholders meeting.

Table

Proposal 1	Affirm	Dissent
Proposal 2	Affirm	Dissent
:	:	:

(The number of shares for which the voting rights are being exercised)

_____ shares