

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 6136)  
January 31, 2020

**To Shareholders with Voting Rights:**

Norio Ishikawa  
President  
OSG Corporation  
3-22 Honnogahara, Toyokawa City,  
Aichi Prefecture, Japan

**NOTICE OF THE 107TH ORDINARY SHAREHOLDERS' MEETING**

Dear Shareholders,

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

You are cordially invited to attend the 107th Ordinary Shareholders' Meeting of OSG Corporation (the "Company"). The details of the meeting shall be as described below.

If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet, etc. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by 4:50 p.m. on Friday, February 21, 2020, Japan time.

- 1. Date and Time:** Saturday, February 22, 2020 at 10:00 a.m. Japan time  
(Reception starts at 9:00 a.m.)
- 2. Place:** OSG Academy Global Technology Center located at  
149 Miyamae, Ichinomiya-cho, Toyokawa City, Aichi Prefecture, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report, Consolidated Financial Statements, and results of audits on the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee for the Company's 107th Fiscal Year (December 1, 2018 - November 30, 2019)
  2. Non-Consolidated Financial Statements for the Company's 107th Fiscal Year (December 1, 2018 - November 30, 2019)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members)
- Proposal 3:** Election of six (6) Directors serving as Audit & Supervisory Committee Members
- Proposal 4:** Election of one (1) Substitute Director serving as Audit & Supervisory Committee Member
- Proposal 5:** Payment of Bonuses to Directors

# Reference Documents for the Shareholders' Meeting

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

#### Year-end dividend

With regard to dividends, the Company's general principle is to distribute appropriate returns in comprehensive consideration of the future management environment surrounding the Company group and performance prospects, with a basic policy of maintaining a consolidated dividend payout ratio of 30% or more.

The Company proposes the payment of dividends for the 107th fiscal year as follows.

#### (1) Allotment of dividends to shareholders and the total amount of dividends

¥24 per share of the Company's common stock      Total amount    ¥2,355,471,480

The annual dividend for the fiscal year, including the interim dividend, will be ¥47 per share.

#### (2) Effective date of distribution of surplus

February 25, 2020

**Proposal 2:** Election of two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members)

The terms of office of all two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members) will expire at the conclusion of this Ordinary Shareholders' Meeting.

Accordingly, the election of two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows:

No.	Name (Date of birth) Number of shares in the Company held	Past experience, positions and responsibilities at the Company, and significant concurrent positions
1	Norio Ishikawa (December 23, 1955) 110,249	May 1983                      Seconded to OSG Tap and Die, Inc. (Currently OSG USA, Inc.) August 1999                  Director and President, OSG Europe S.A. February 2001                Director February 2003                Executive Officer February 2004                Director February 2007                President & COO February 2017                President & Chief Executive Officer (Current position) [Significant concurrent positions] • Director, Nihon Hard Metal Co., Ltd. • Director, Sanwa Seiki Co., Ltd. • Director, OSG USA, Inc. • Director, OSG Europe S.A. • Director, OSG Korea Corporation • Director and Chairman, Taiho Tool Mfg. Co., Ltd. • Director and Chairman, OSG (Shanghai) Co., Ltd. • Director, OSG Asia Pte Ltd. • Director, OSG THAI CO., LTD.



**Proposal 3:** Election of six (6) Directors serving as Audit & Supervisory Committee Members

The terms of office of all six (6) Directors serving as Audit & Supervisory Committee Members will expire at the conclusion of this Ordinary Shareholders' Meeting.

Accordingly, the election of six (6) Directors serving as Audit & Supervisory Committee Members is proposed.

The Audit & Supervisory Committee has given its prior approval to this proposal.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth) Number of shares in the Company held	Past experience, positions and responsibilities at the Company, and significant concurrent positions
1	Gohei Osawa (December 14, 1946) 505,784	February 1976      Director and Vice President, OSG Tap and Die, Inc. (Currently OSG USA, Inc.) February 1992      Director and President, OSG Tap and Die, Inc. December 1992     Advisor, International Department February 1995      Director December 2000     Director and Chairman, OSG Tap and Die, Inc. February 2003      Executive Officer February 2004      Director February 2005      Managing Director February 2012      Standing Statutory Auditor February 2016      Director (Standing Audit & Supervisory Committee Member) February 2018      Director (Audit & Supervisory Committee Member) (Current position) [Significant concurrent positions] • Statutory Auditor, OSG Korea Corporation

No.	Name (Date of birth) Number of shares in the Company held	Past experience, positions and responsibilities at the Company, and significant concurrent positions	
2	<p>[Candidate for Outside Director]</p> <p>[Candidate for Independent Officer]</p> <p>Takeo Nakagawa (October 12, 1938) 11,100</p>	<p>May 1999</p> <p>October 2000</p> <p>April 2002</p> <p>June 2007</p> <p>June 2008</p> <p>February 2014</p> <p>April 2015</p> <p>February 2016</p> <p>August 2016</p> <p>[Significant concurrent positions]</p>	<p>Emeritus professor, the University of Tokyo (Current position)</p> <p>Representative Director and President, Fine Tech Corporation</p> <p>Director, Osawa Scientific Studies Grants Foundation (Current position)</p> <p>Outside Audit &amp; Supervisory Board Member, FANUC CORPORATION</p> <p>Outside Director, TSUGAMI CORPORATION</p> <p>Director</p> <p>Representative Director and Chairman, Fine Tech Corporation (Current position)</p> <p>Director (Audit &amp; Supervisory Committee Member) (Current position)</p> <p>Member of the Board, Sharp Corporation</p> <p>• Representative Director and Chairman, Fine Tech Corporation</p> <p>• Outside Director, TSUGAMI CORPORATION (Audit &amp; Supervisory Committee Member)</p> <p>• Director, Osawa Scientific Studies Grants Foundation</p>
3	<p>[Candidate for Outside Director]</p> <p>[Candidate for Independent Officer]</p> <p>Kyoshiro Ono (January 29, 1940) 37,025</p>	<p>December 1966</p> <p>April 1967</p> <p>January 1993</p> <p>October 1998</p> <p>February 2006</p> <p>June 2010</p> <p>January 2016</p> <p>February 2016</p>	<p>Representative Managing Director, Ono Building Firm Co., Ltd. (Currently ONOCOM Co., LTD.)</p> <p>Representative Senior Managing Director, Ono Building Firm Co., Ltd.</p> <p>Representative Director and Vice President, ONOCOM Co., LTD.</p> <p>Representative Director and President, ONOCOM Co., LTD.</p> <p>Statutory Auditor</p> <p>Representative Director and Chairman, ONOCOM Co., LTD.</p> <p>Resigned as Director, ONOCOM Co., LTD.</p> <p>Director (Audit &amp; Supervisory Committee Member) (Current position)</p>

No.	Name (Date of birth) Number of shares in the Company held	Past experience, positions and responsibilities at the Company, and significant concurrent positions	
4	[Candidate for Outside Director]  [Candidate for Independent Officer]  Yoshiyuki Sakaki (September 9, 1942) 6,100	May 2004 April 2008 April 2009 April 2012 April 2014 July 2014 February 2016	Emeritus professor, the University of Tokyo (Current position) President, Toyohashi University of Technology Director, Osawa Scientific Studies Grants Foundation Councilor, Osawa Scientific Studies Grants Foundation (Current position) Statutory Auditor President, Shizuoka Futaba Gakuen (Current position) Director (Audit & Supervisory Committee Member) (Current position) [Significant concurrent positions] • President, Shizuoka Futaba Gakuen • Councilor, Osawa Scientific Studies Grants Foundation
5	[Candidate for Outside Director]  [Candidate for Independent Officer]  Akito Takahashi (March 30, 1975) 0	April 2000 April 2005 September 2009 March 2015 December 2015  February 2018	Admitted as an attorney-at-law in Japan Admitted as an attorney-at-law in New York State Established Takahashi & Katayama Law Office (Current position) Outside Director, Nippon Carbon Co., Ltd. (Current position) Outside Director, ACKG Limited (Currently Oriental Consultants Holdings Co.,Ltd.) (Current position) Director (Audit & Supervisory Committee Member) (Current position) [Significant concurrent positions] • Outside Director, Nippon Carbon Co., Ltd. • Outside Director, Oriental Consultants Holdings Co.,Ltd.
6	[Newly Appointed]  [Candidate for Outside Director]  [Candidate for Independent Officer]  Kunihiko Hara (January 2, 1947) 0	June 1998 June 2002 July 2010  April 2016 May 2018 June 2018	Director, DENSO CORPORATION Left the post of Director, DENSO CORPORATION Project Professor of Tailor-Made Baton-Zone Education Promotion Office, Toyohashi University of Technology Vice President (Research Enhancement), Toyohashi University of Technology Designated Professor (Innovation Strategy Office), Nagoya University (Current position) Professor Emeritus, Toyohashi University of Technology (Current position) [Significant concurrent positions] • Designated Professor (Innovation Strategy Office), Nagoya University

- (Notes)
1. There are no special interests between each of the candidates for Directors serving as Audit & Supervisory Committee Members and the Company.
  2. The reason for appointing Mr. Gohei Osawa as a candidate for Director is as follows. Mr. Gohei Osawa possesses a wealth of experience and wide knowledge gained through practical businesses in the field of overseas business department, where he served as president and other officers of the Company's overseas subsidiaries. He is expected to contribute to supervise the Company's general management and strengthen its auditing system by utilizing his experience gained from serving as Director and Statutory Auditor of the Company. Accordingly, the Company proposes his reappointment as Director serving as Audit & Supervisory Committee Member.
  3. Messrs. Takeo Nakagawa, Kyoshiro Ono, Yoshiyuki Sakaki, Akito Takahashi and Kunihiko Hara are candidates for Outside Director as set forth in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company notified the Tokyo Stock Exchange and the Nagoya Stock Exchange of Messrs. Takeo Nakagawa, Kyoshiro Ono, Yoshiyuki Sakaki and Akito Takahashi as Independent Officers prescribed pursuant to the provisions of the said Exchanges, and they will continue to serve as Independent Officers if their election is approved as originally proposed. Furthermore, Mr. Kunihiko Hara will newly serve as Independent Officer if his election is approved as originally proposed.

4. The reason for appointing Mr. Takeo Nakagawa as a candidate for Outside Director is that the Company believes he will be able to successfully fulfill his responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company with his rich experience and wide insight as a scholar and a corporate manager. Mr. Takeo Nakagawa will have been in office as an Outside Director of the Company for six (6) years, for four (4) years of which, he will have in office as an Outside Director serving as Audit & Supervisory Committee Member at the conclusion of this meeting.
5. The reason for appointing Mr. Kyoshiro Ono as a candidate for Outside Director is that the Company believes he will be able to successfully fulfill his responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company with his rich experience and wide insight as a corporate manager. Mr. Kyoshiro Ono will have been in office as an Outside Director serving as Audit & Supervisory Committee Member of the Company for four (4) years at the conclusion of this meeting.
6. The reason for appointing Mr. Yoshiyuki Sakaki as a candidate for Outside Director is that the Company believes he will be able to successfully fulfill his responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company with his wide knowledge and insight he has gained over his long years as a scholar. Mr. Yoshiyuki Sakaki will have been in office as an Outside Director serving as Audit & Supervisory Committee Member of the Company for four (4) years at the conclusion of this meeting.
7. The reason for appointing Mr. Akito Takahashi as a candidate for Outside Director is that the Company believes he will be able to successfully fulfill his responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company from a standpoint independent of the management as a legal expert with his rich experience and high-level insight and expertise accumulated through his long-standing career as an attorney-at-law. Mr. Akito Takahashi will have been in office as an Outside Director serving as Audit & Supervisory Committee Member of the Company for two (2) years at the conclusion of this meeting.
8. The reason for appointing Mr. Kunihiko Hara as a candidate for Outside Director is that the Company believes he will be able to successfully fulfill his responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company with his rich experience and wide insight as a scholar and a corporate manager.
9. The Company has entered into an agreement to limit liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act with Messrs. Takeo Nakagawa, Kyoshiro Ono, Yoshiyuki Sakaki and Akito Takahashi, Directors serving as Audit & Supervisory Committee Members, based on Article 427, Paragraph 1 of the said Act and the provisions of the Articles of Incorporation of the Company. Under the agreement, in the event that one of them causes damages to the Company from negligence in the performance of duties, and if he acts in good faith without gross negligence, his liability for the damages to the Company shall be limited to the minimum liability amount stipulated in Article 425, paragraph 1 of the said Act. Furthermore, the Company intends to newly enter into the same type of agreement with Mr. Kunihiko Hara if his election is approved as originally proposed. The limit of the liability under the agreement shall be the minimum amount prescribed by laws and ordinances.

**Proposal 4:** Election of one (1) Substitute Director serving as Audit & Supervisory Committee Member

To prepare for a case where the number of Directors serving as Audit & Supervisory Committee Members falls below the number stipulated by laws and regulations, the election of one (1) substitute Director serving as Audit & Supervisory Committee Member is proposed.

The Audit & Supervisory Committee has given its prior approval to this proposal.

The effectiveness of the election may be rescinded by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee, only before the assumption of office.

The candidate for substitute Director serving as Audit & Supervisory Committee Member is as follows:

Name (Date of birth) Number of shares in the Company held	Past experience and significant concurrent positions	
[Candidate for Outside Director]  [Candidate for Independent Officer]  Kayoko Yamashita (July 1, 1965) 0	April 1996	Admitted as a certified public accountant
	June 2006	Established Yamashita Certified Public Accountant Office (Current position)
	April 2008	Admitted as a certified tax accountant
	June 2015	Outside Audit & Supervisory Board Member, Sotoh Co., Ltd. (Current position)
	June 2015	Outside Audit & Supervisory Board Member, FUJI CORPORATION (Current position)
[Significant concurrent positions]		<ul style="list-style-type: none"> <li>• Outside Audit &amp; Supervisory Board Member, Sotoh Co., Ltd.</li> <li>• Outside Audit &amp; Supervisory Board Member, FUJI CORPORATION</li> </ul>

- (Notes)
1. There are no special interests between the candidate for substitute Director serving as Audit & Supervisory Committee Member and the Company.
  2. Ms. Kayoko Yamashita is a candidate for substitute Outside Director serving as Audit & Supervisory Committee Member.
  3. In the event that Ms. Kayoko Yamashita assumes office as Director serving as Audit & Supervisory Committee Member, the Company intends to appoint her as an Independent Officer pursuant to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange.
  4. The reason for appointing Ms. Kayoko Yamashita as a candidate for substitute Director serving as Audit & Supervisory Committee Member is that the Company believes she will be able to successfully fulfill her responsibility as an Outside Director serving as Audit & Supervisory Committee Member of the Company with her rich experience and high-level insight and expertise accumulated through her long-standing career as a certified public accountant and certified tax accountant.
  5. In the event that Ms. Kayoko Yamashita assumes office as Director serving as Audit & Supervisory Committee Member, the Company intends to enter into an agreement to limit liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act with her based on Article 427, Paragraph 1 of the said Act and the provisions of the Articles of Incorporation of the Company. Under the agreement, in the event that Ms. Kayoko Yamashita causes damages to the Company from negligence in the performance of duties, and if she acts in good faith without gross negligence, her liability for the damages to the Company shall be limited to the minimum liability amount stipulated in Article 425, paragraph 1 of the said Act.

**Proposal 5:** Payment of Bonuses to Directors

In consideration of the Company's performance for the fiscal year ended November 30, 2019 and various other conditions, the Company proposes that bonuses of ¥121,000,000 in total be paid to the two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members) in office at the end of the fiscal year.