

## **Notice of findings regarding the method for tallying shareholder voting forms**

In the press release dated September 18, 2020 (*Notice regarding the method for tallying shareholding voting forms*), Mizuho Trust & Banking Co., Ltd. (President & CEO: Kei Umeda; “Mizuho TB”) announced that there was a need to investigate the appropriateness of the way in which shareholder voting forms were tallied, an operation entrusted to Mizuho TB as a part of our stock transfer agency operations. The following is a notice of the related findings and our response going forward.

Mizuho TB conferred with external legal counsel regarding the handling<sup>1</sup> of tallying shareholder voting forms during busy periods to examine the appropriateness of the methods employed, and found that regardless of the date on the delivery notice, shareholder voting forms actually collected prior to the voting deadline should have been tallied as valid votes.

Based on these findings, Mizuho TB conducted a recount of voting forms to include as valid votes those forms which had been collected from the post office prior to the voting deadline yet had been excluded from the tally (this is limited to votes that were not invalidated for another reason other than the voting deadline).

### **Recount**

Among the companies that entrust Mizuho TB with stock transfer agency operations, 371 companies which held their general meeting of shareholders between June 1 and July 31, 2020 and for which forward processing was used were subject to a recount.<sup>2</sup> The total number of votes falling under the category of “untallied due to forward processing” is 22,848, and after conducting a recount to include these votes, our understanding is that there are no cases in which the result of the vote was impacted. The impact on the results of voting is as follows.

Variability of approval ratios for each proposed resolution due to the recount (for 371 subject companies)

Variability	-10%	-5%	-1.0%	0%	1.0%	5.0%
	to	to	to	to	to	to
	-5%	-1%	0%	1.0%	5.0%	10%
Distribution	0%	0.69%	16.86%	82.06%	0.31%	0.08%
No. of proposed resolutions	0	25	608	2,959	11	3

Notes:

- The recount was conducted based on shareholder voting form data in image format.
- One shareholder voting form for one of the applicable companies was not included in the recount, but due to the approval ratio of this company's proposed resolutions, the number of confirmed shareholder votes, etc., our understanding is that this has no impact on the result of the applicable company's resolutions in terms of approval or rejection.

**Response going forward**

For companies that held their general meeting of shareholders during the period subject to recount (June 1 to July 31, 2020), we will inform each company individually regarding whether their shareholder votes were subject to a recount and regarding the results of their recounts if shareholder votes were subject to a recount, and promptly inform them of the measures to be taken based on the results of the recount.

Furthermore, in regard to the forward processing which was previously implemented by Japan Stockholders Data Service Company, Limited ("JaSt"), JaSt will discontinue this practice and will conduct tallying operations based on the date shareholder voting forms are collected from the post office.

We offer our sincere apologies to all client companies that entrust us with stock transfer agency operations, as well as all shareholders of these companies and capital market participants for the inconvenience and concern caused.

Please direct any inquiries regarding this matter to the following contact.

Telephone: 0120-838-600 Operating hours: 9 am - 5 pm (Weekdays and September 26 and 27)
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## Overview of Japan Stockholders Data Service Company, Limited (JaSt)

Trade name	Japan Stockholders Data Service Company, Limited	
Headquarters	2-8-4 Izumi, Suginami-ku, Tokyo	
Established	April 1, 2008	
Capital	¥2 billion	
Investors/ownership ratio	Sumitomo Mitsui Trust Bank, Limited	50%
	Mizuho Trust & Banking Co., Ltd.	50%
Business description	Entrusted with stock transfer agency operations (administration of shareholder registries and special accounts) and the development and operation of IT systems for the administration of shareholder registries and special accounts.	

### Notes:

1. Previously in busy periods such as March, May, and June, when a large number of companies hold their general meeting of shareholders, Mizuho TB and JaSt, to which Mizuho TB entrusts stock transfer agency operations including the tallying of shareholder voting forms, in order to process a large volume of vote tallying operations as smoothly as possible, coordinated with the post office and, for shareholder voting forms sent via postal mail JaSt collected the forms directly from the post office the day before the standard delivery date (the date marked as the delivery date on the delivery notice issued by the post office) and began to process the forms. (A process known as “forward processing”. In addition, this year due to the impact of COVID-19, many companies held their general meeting of shareholders in July, and therefore the same operations were conducted in July as well.)

When tallying the shareholder voting forms that JaSt collected from the post office on the day prior to the delivery date, JaSt tallied them based on the delivery date on the delivery notice rather than the actual date of collection. As a result, shareholder voting forms for which the delivery date on the delivery notice was past the deadline for the exercise of voting rights were rejected when tallying the shareholder voting forms, even if the actual date of collection was prior to the deadline.

2. The shareholder voting form data saved in a digital format that Mizuho TB is able to confirm is limited to clients that held their general meeting of shareholders within the past three months, and the companies subject to a recount are as detailed in

this press release.

Because the period for filing an action for revocation of a resolution at a general meeting of shareholders is within three months from the day of resolution, the period that JaSt retains shareholder voting form data saved in image format is in principle three months.