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Securities code: 4212

June 3, 2024

To our shareholders:

Hiroshi Baba  
President and Representative Director, CEO  
**Sekisui Jushi Corporation**  
2-4-4, Nishi-Temma, Kita-ku, Osaka-shi

## NOTICE OF THE 90TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to express our deepest sympathies to all those affected by the 2024 Noto earthquake.

We are pleased to announce the 90th Ordinary General Meeting of Shareholders of Sekisui Jushi Corporation (the “Company”), which will be held as described below.

Instead of attending the meeting in person, you may exercise your voting rights by postal mail or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and return it to reach us no later than 5:40 p.m., Monday, June 24, 2024 (Japan Standard Time).

**1. Date and Time:** Tuesday, June 25, 2024, at 10:00 a.m. (Japan Standard Time)

**2. Venue:** ANA Crowne Plaza Osaka  
Meeting room “Manyo” on the third floor  
1-3-1, Dojimahama, Kita-ku, Osaka-shi

### 3. Purposes:

#### Items to be reported:

1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 90th Term (from April 1, 2023 to March 31, 2024)
2. The results of audit of the Consolidated Financial Statements for the 90th Term by the Accounting Auditor and the Board of Corporate Auditors

#### Item to be resolved:

- Proposal 1:** Election of nine (9) Directors  
**Proposal 2:** Election of three (3) Corporate Auditors  
**Proposal 3:** Revision of amount of remuneration for Outside Directors  
**Proposal 4:** Revision of restricted stock compensation plan for Directors

- For shareholders attending the meeting, please present the Voting Rights Exercise Form at the reception desk. We also ask that you bring this Notice of Convocation to the meeting in order to conserve resources.
- Souvenirs, a rest area and beverages will not be provided at this meeting. We appreciate your understanding.

#### **4. Matters Concerning Measures for Electronic Provision**

For the convocation of this Ordinary General Meeting of Shareholders, the Company has taken measures for electronic provision, and has posted matters concerning measures for electronic provision on the Company's website.

The Company's website:

[https://www.sekisuijushi.co.jp/shareholder\\_investor/stock/meeting/](https://www.sekisuijushi.co.jp/shareholder_investor/stock/meeting/) (in Japanese)

In addition to the Company's website mentioned above, matters concerning measures for electronic provision are also posted on the following website.

TSE website:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the above website, enter "Sekisui Jushi" in "Issue name (company name)" or the Company's securities code "4212" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information" to check the information in "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" under "Filed information available for public inspection.")

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/4212/teiji/> (in Japanese)

#### **Matters Excluded From Paper-Based Documents Stating Matters Concerning Measures for Electronic Provision**

This Notice of Convocation also serves as the paper-based document stating matters concerning measures for electronic provision when a request is made for delivery of paper-based documents. Among the matters concerning measures for electronic provision, pursuant to laws, regulations, and the provisions of Article 15 of the Articles of Incorporation, the matters indicated below are not included in this Notice of Convocation.

- (1) Business Report: Part 7: Systems for Ensuring Compliance with Laws and Regulations and the Articles of Incorporation by Directors When Executing Their Duties and Other Systems for Ensuring the Proper Conduct of Business by the Group and Overview of Operation Status of those Systems
- (2) Consolidated Financial Statements: Consolidated Statement of Changes in Net Assets
- (3) Consolidated Financial Statements: Notes to the Consolidated Financial Statements
- (4) Non-Consolidated Financial Statements: Non-Consolidated Statement of Changes in Net Assets
- (5) Non-Consolidated Financial Statements: Notes to the Non-Consolidated Financial Statements

#### **Method of Notification When Modifying Matters Concerning Measures for Electronic Provision**

If any modifications occur in the matters concerning measures for electronic provision, a notification to that effect, and the details of the matters before and after the modifications will be posted on each of the respective websites where they are currently published.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Election of nine (9) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes that nine (9) Directors be elected, including an increase in the number of Outside Directors by one (1), in order to further strengthen corporate governance.

Nomination of the candidates for Director has passed through the deliberation process of The Personnel Affairs and Remuneration Advisory Committee of which a majority of the members are Independent Outside Directors.

The candidates for Director are as follows:

No.	Name		Gender	Current position at the Company, etc.
1	Hiroshi Baba	[Reelection]	Male	President and Representative Director, Chief Executive Officer
2	Toshitaka Miyata	[Reelection] Candidate for Outside Director	Male	Outside Director
3	Hiroshi Takano	[Reelection] Candidate for Outside Director	Male	Outside Director
4	Satoko Ito	[Reelection] Candidate for Outside Director	Female	Outside Director
5	Keiko Akaho	[New election] Candidate for Outside Director	Female	
6	Yutaka Shibanuma	[Reelection]	Male	Director Senior Managing Executive Officer
7	Tomoyuki Kikuchi	[Reelection]	Male	Director Managing Executive Officer
8	Nagaaki Miyoshi	[Reelection]	Male	Director Executive Officer
9	Shuichiro Takabayashi	[New election]	Male	Executive Officer

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Hiroshi Baba (May 30, 1963)</p> <p>Gender/Male</p> <p>[Reelection]</p> <p>Attendance at Board of Directors Meetings 14/14 (100%)</p>	<p>Apr. 1987      Joined the Company</p> <p>June 2007      Executive Officer of the Company</p> <p>June 2009      Director of the Company</p> <p>June 2012      Managing Executive Officer of the Company</p> <p>June 2014      Senior Managing Executive Officer of the Company</p> <p>June 2015      Executive Vice President and Representative Director of the Company</p> <p>Apr. 2016      President and Representative Director, Chief Operating Officer of the Company</p> <p>Apr. 2022      President and Representative Director, Chief Executive Officer of the Company (present position)</p> <p>(Significant concurrent positions outside the Company) Chairman of the Board and Representative Director, Sekisui Jushi Europe Holdings B.V.</p>	74,700
<p>Reasons for nomination as candidate for Director</p> <p>Hiroshi Baba has mainly been involved in the Operations and Development Departments, having been responsible for the Corporate Headquarters after taking over Management of the Technology, Development, and Production Departments as well as Management, Corporate Administration. He currently serves as President and Representative Director, CEO, and contributes to the enhancement of corporate value. We have nominated him as a candidate for Director of the Company based on the judgment that he is qualified as Director because he has extensive experience in the business of the Company and broad insights into overall corporate management.</p>			
2	<p>Toshitaka Miyata (October 27, 1949)</p> <p>Gender/Male</p> <p>[Reelection]</p> <p>Candidate for Outside Director</p> <p>Attendance at Board of Directors Meetings 14/14 (100%)</p>	<p>Apr. 1975      Joined the Ministry of Construction (currently, Ministry of Land, Infrastructure, Transport and Tourism)</p> <p>Apr. 2005      Director-General, Kyushu Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2006      Director-General, Road Bureau, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2008      Retired from Ministry of Land, Infrastructure, Transport and Tourism</p> <p>Oct. 2010      Advisor, Metropolitan Expressway Company Limited</p> <p>Oct. 2013      Representative Director and Senior Executive Officer, Metropolitan Expressway Company Limited</p> <p>June 2016      Representative Director and President, Metropolitan Expressway Company Limited</p> <p>May 2022      Chairman, Tokyo Metropolitan Road Council (present position)</p> <p>June 2022      Chairman, Highway Industry Development Organization (present position)</p> <p>June 2022      Director of the Company (present position)</p> <p>(Significant concurrent positions outside the Company) Chairman, Tokyo Metropolitan Road Council Chairman, Highway Industry Development Organization</p>	0
<p>Reasons for nomination as candidate for Outside Director and overview of expected roles</p> <p>Toshitaka Miyata held important posts over many years at the Ministry of Land, Infrastructure, Transport, and Tourism. He has broad insights into development of social infrastructure and transport policy, and he has experience as President and Representative Director of Metropolitan Expressway Company Limited. This extensive management experience led us to conclude that he will be able to offer valuable advice concerning the management of the Company, and we have therefore nominated him as a candidate for Outside Director. If his reelection is approved, he will be a member of The Personnel Affairs and Remuneration Advisory Committee, and will be objectively involved in decisions on the nomination and remuneration of Directors.</p>			

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Hiroshi Takano (October 1, 1953)  Gender/Male  [Reelection]  Candidate for Outside Director  Attendance at Board of Directors Meetings 14/14 (100%)	Apr. 1976      Joined Toyota Tsusho Corporation Mar. 1999      Managing Director, Toyota Tsusho (Malaysia) Sdn. Bhd. June 2005      Member of the Board, Toyota Tsusho Corporation President, Toyota Tsusho (Thailand) Co., Ltd. Apr. 2006      Executive Officer, Toyota Tsusho Corporation (Position changed due to introduction of Executive Officer System) June 2009      Managing Executive Officer, Toyota Tsusho Corporation June 2011      Managing Director, Toyota Tsusho Corporation June 2012      Senior Managing Director, Toyota Tsusho Corporation June 2013      President and CEO, Toyotsu Logistics Service Co., Ltd. June 2018      Director of the Company (present position)	0
	Reasons for nomination as candidate for Outside Director and overview of expected roles Hiroshi Takano has served as Senior Managing Director of Toyota Tsusho Corporation as well as President and CEO of Toyotsu Logistics Service Co., Ltd. This extensive experience led us to conclude that he will be able to offer valuable advice concerning the management of the Company, and we have therefore nominated him as a candidate for Outside Director. If his reelection is approved, he will be a member of The Personnel Affairs and Remuneration Advisory Committee, and will be objectively involved in decisions on the nomination and remuneration of Directors.		
4	Satoko Ito (July 3, 1967)  Gender/Female  [Reelection]  Candidate for Outside Director  Attendance at Board of Directors Meetings 14/14 (100%)	Oct. 1989      Commenced activities as a newscaster Apr. 2010      Visiting Professor, Graduate Institute for Entrepreneurial Studies (present position) Apr. 2015      Part-time Lecturer, NIIGATA UNIVERSITY (present position) June 2019      Director of the Company (present position) June 2020      External Corporate Auditor, MITANI SANGYO CO., LTD. (present position) Outside Director, The Juroku Bank, Ltd. Oct. 2021      Outside Director of Juroku Financial Group, Inc. (present position) (Significant concurrent positions outside the Company) External Corporate Auditor, MITANI SANGYO CO., LTD. Outside Director of Juroku Financial Group, Inc.	0
	Reasons for nomination as candidate for Outside Director and overview of expected roles Satoko Ito has worked as a newscaster on a news program, held seminars and lectures for managers and teaches at a university. In addition, she has deep knowledge in the fields of the environment and energy, and has served as committee member at the committees of related government agencies. This experience and knowledge led us to conclude that she will be able to offer valuable advice concerning the management of the Company, and we have therefore nominated her as a candidate for Outside Director. She has never in the past been involved in the management of a company except as an outside officer. However, the Company judges she will fulfill her duties as an Outside Director based on the above reasons. If her reelection is approved, she will be a member of The Personnel Affairs and Remuneration Advisory Committee, and will be objectively involved in decisions on the nomination and remuneration of Directors.		

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Keiko Akaho (July 21, 1962)  Gender/Female  [New election]  Candidate for Outside Director	Apr. 1986      Joined The Nikkan Kogyo Shimbun, Ltd. Apr. 2009      Kobe Branch Manager, The Nikkan Kogyo Shimbun, Ltd. Apr. 2011      General Manager of Industry Department No. 1, Headquarters Editorial Board, The Nikkan Kogyo Shimbun, Ltd. Apr. 2016      Chief of Osaka Branch Editorial Board, The Nikkan Kogyo Shimbun, Ltd. Nov. 2021      Deputy Chair of Editorial Committee, The Nikkan Kogyo Shimbun, Ltd. Apr. 2023      Management Support Specialist, Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (present position) Apr. 2023      Economic Journalist (present position) (Significant concurrent positions outside the Company) Economic Journalist	0
Reasons for nomination as candidate for Outside Director and overview of expected roles Keiko Akaho has held key positions at The Nikkan Kogyo Shimbun, Ltd. and has broad insights into the mass media industry, as well as an objective viewpoint cultivated as an economic journalist. This experience and knowledge led us to conclude that she will be able to offer valuable advice concerning the management of the Company, and we have therefore nominated her as a candidate for Outside Director. She has never been directly involved in corporate management. However, the Company judges she will appropriately fulfill her duties as an Outside Director based on the above reasons.			
6	Yutaka Shibamura (January 14, 1960)  Gender/Male  [Reelection]  Attendance at Board of Directors Meetings 14/14 (100%)	Apr. 1982      Joined the Company June 2010      Executive Officer of the Company June 2012      Director of the Company (present position) June 2015      Managing Executive Officer of the Company June 2016      Executive Officer of the Company Apr. 2018      Managing Executive Officer of the Company June 2021      Vice Management, Corporate Headquarters (responsible for Business Headquarters – Public Sectors) and Business Strategy Department Manager of the Company Nov. 2021      Executive Officer of the Company Apr. 2022      General Manager, Business Headquarters – Public Sectors of the Company (present position) Apr. 2023      Senior Managing Executive Officer of the Company (present position)	20,600
Reasons for nomination as candidate for Director Yutaka Shibamura has mainly been involved in businesses in the public sector, and he currently serves as Director and Senior Managing Executive Officer, performing duties of General Manager of Business Headquarters – Public Sectors of the Company. We have nominated him as a candidate for Director of the Company based on the judgment that he is qualified as Director for his extensive experience and knowledge.			

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Tomoyuki Kikuchi (February 13, 1967)  Gender/Male  [Reelection]  Attendance at Board of Directors Meetings 11/11 (100%)	Apr. 1990      Joined the Company Apr. 2014      Executive Officer of the Company Apr. 2021      Management, Corporate Administration of the Company June 2021      Director of the Company Apr. 2022      Deputy General Manager, Business Headquarters – Private Sectors of the Company Apr. 2023      General Manager, Business Headquarters – Private Sectors of the Company June 2023      Outside Director, NIHON KOGYO CO., LTD. (present position) Director of the Company (present position) Oct. 2023      In charge of Finance and Investor Relations, and General Manager, Business Headquarters – Private Sectors of the Company Apr. 2024      Managing Executive Officer of the Company (present position) In charge of Finance and Investor Relations, and Management, Corporate Headquarters – Management Strategy & Planning of the Company (present position) (Significant concurrent positions outside the Company) Outside Director, NIHON KOGYO CO., LTD.	12,300
Reasons for nomination as candidate for Director Tomoyuki Kikuchi has mainly been involved in operations in the accounting and corporate planning departments, and he currently serves as Director and Managing Executive Officer, performing duties of Management of Corporate Headquarters – Management Strategy & Planning. We have nominated him as a candidate for Director of the Company based on the judgment that he is qualified as Director for his extensive experience and knowledge.			
8	Nagaaki Miyoshi (November 13, 1969)  Gender/Male  [Reelection]  Attendance at Board of Directors Meetings 11/11 (100%)	Apr. 1991      Joined the Company Oct. 2015      Director and President, Sekisui Jushi Europe Holdings B.V. (present position) Apr. 2018      Executive Officer of the Company (present position) Apr. 2020      General Manager, Development Headquarters of the Company Oct. 2022      Management, Business Development Department of the Company Apr. 2023      General Manager, Business Headquarters – The Growth Drivers, General Manager, Global Operations Department, and Business Headquarters – Public / Private Sectors, Product Manager of the Company (present position) June 2023      Director of the Company (present position) (Significant concurrent positions outside the Company) Director and President, Sekisui Jushi Europe Holdings B.V.	4,600
Reasons for nomination as candidate for Director Nagaaki Miyoshi has mainly been involved in international business and development departments, and he currently serves as Director and Executive Officer, performing duties of General Manager of Business Headquarters – The Growth Drivers. We have nominated him as a candidate for Director of the Company based on the judgment that he is qualified as Director for his extensive experience and knowledge.			

No.	Name (Date of birth)	Career summary, position, and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	Shuichiro Takabayashi (February 17, 1966)  Gender/Male  [New election]	Apr. 1988      Joined the Company Apr. 2007      General Manager, Human Resources Department of the Company Apr. 2014      Executive Officer of the Company (present position) Apr. 2018      Deputy General Manager, Business Headquarters – Private Sectors of the Company Apr. 2020      General Manager, Business Headquarters – Private Sectors, and General Manager, Exterior Materials & Building Materials Division of the Company June 2022      President and Representative Director, Sekisui Jushi Plametal Corporation (present position) Apr. 2024      General Manager, Business Headquarters – Private Sectors of the Company (present position)  (Significant concurrent positions outside the Company) President and Representative Director, Sekisui Jushi Plametal Corporation	9,700
Reasons for nomination as candidate for Director Shuichiro Takabayashi has mainly been involved in businesses in the private sector and currently serves as an Executive Officer, performing duties as General Manager of Business Headquarters – Private Sectors and the President and Representative Director of Sekisui Jushi Plametal Corporation. We have nominated him as a candidate for Director of the Company based on the judgment that he is qualified as Director for his extensive experience and knowledge.			

- Notes:
1. There is no special interest between the candidates for Directors and the Company.
  2. Toshitaka Miyata is a candidate for Outside Director, and at the conclusion of this Ordinary General Meeting of Shareholders, he will have served as an Outside Director of the Company for two (2) years.  
The Company has designated him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and has notified therein.
  3. Hiroshi Takano is a candidate for Outside Director, and at the conclusion of this Ordinary General Meeting of Shareholders, he will have served as an Outside Director of the Company for six (6) years.  
The Company has designated him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and has notified therein.
  4. Satoko Ito is a candidate for Outside Director, and at the conclusion of this Ordinary General Meeting of Shareholders, she will have served as an Outside Director of the Company for five (5) years.  
The Company has designated her as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and has notified therein.
  5. Keiko Akaho is a candidate for Outside Director.  
The Company plans to designate her as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and notify therein.
  6. The Company has signed a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The contract will cover losses and costs that may be incurred in cases where an insured such as Director assumes the liability in the course of their performance of duties or receives a claim concerning the pursuit of such liability. If the candidates are elected and assume the office as Director, they will be insured under the insurance contract. In addition, the insurance contract is planned to be renewed without revision at the next renewal.
  7. The Company has entered into agreements limiting the liability for damages specified in Article 423, Paragraph 1 of the Companies Act pursuant to Article 427, Paragraph 1 of said Act with the candidates for Outside Directors, Toshitaka Miyata, Hiroshi Takano, and Satoko Ito. The maximum amount of liability for damages will be the total of the amounts specified in each item of Article 425, Paragraph 1 of said Act, and if reelection of Toshitaka Miyata, Hiroshi Takano, and Satoko Ito is approved, the Company plans to continue such agreements with them. Also, if the election of candidate for Outside Director Keiko Akaho is approved, the Company plans to enter into the same agreement with her.



**Proposal 2:** Election of three (3) Corporate Auditors

The terms of office of Corporate Auditors Yoshimasa Inaba, Tsuchikazu Oonaka, and Akira Tsujiuchi will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes that three (3) Corporate Auditors be elected.

The Board of Corporate Auditors has given its consent to this proposal.

The candidates for Corporate Auditor are as follows:

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Katsuyoshi Sasaki (September 2, 1967)  Gender/Male  [New election]	Apr. 1991      Joined the Company Apr. 2016      Executive Officer of the Company June 2017      Plant Manager, Shiga Plant of the Company June 2019      Director of the Company (present position) Apr. 2021      Managing Executive Officer of the Company (present position) Oct. 2021      Management of the Technology, Development, and Production Departments, and General Manager of Technology Center of the Company June 2023      Sustainability Manager, Manager for Safety, Quality, and Environment, and Purchasing Manager of the Company  Apr. 2024      Sustainability Manager of the Company (present position)	15,000
Reasons for nomination as candidate for Corporate Auditor Katsuyoshi Sasaki has been involved in the business of the technology and production departments, and he currently serves as Director and Managing Executive Officer, performing duties of Sustainability Manager. We have nominated him as a candidate for Corporate Auditor of the Company based on the judgment that he is qualified as Corporate Auditor due to his extensive experience and knowledge in the area of safety, quality, and the environment.			
2	Akira Tsujiuchi (May 24, 1954)  Gender/Male  [Reelection]  Candidate for Outside Corporate Auditor	Feb. 1978      Joined Tohmatsu Awoki & Co. (current name: Deloitte Touche Tohmatsu LLC) Mar. 1982      Registered as a certified public accountant June 1998      Partner, Deloitte Touche Tohmatsu LLC June 2019      Retired from Deloitte Touche Tohmatsu LLC July 2019      Head of Tsujiuchi Accounting Office (present position) Jan. 2020      Outside Director, Gakujo Co., Ltd. (present position) June 2020      Outside Auditor of the Company (present position) June 2021      Outside Corporate Auditor, GS Yuasa Corporation (present position)  (Significant concurrent positions outside the Company) Head of Tsujiuchi Accounting Office Outside Corporate Auditor, GS Yuasa Corporation Outside Director, Gakujo Co., Ltd.	0
Reasons for nomination as candidate for Corporate Auditor We have nominated him as a candidate for Outside Auditor based on the judgment that he is qualified as Outside Auditor due to his experience in auditing operations for various companies and the advice and suggestions he can provide based on his extensive knowledge of finance and accounting developed during his many years of work at Deloitte Touche Tohmatsu LLC. He has never been involved in corporate management other than as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Auditor based on the above reasons.			

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Kenzaburo Yazawa (January 27, 1965)  Gender/Male  [New election]  Candidate for Outside Corporate Auditor	Apr. 1991 Commissioned as a Public prosecutor Jan. 2019 Prosecutor, Supreme Public Prosecutors Office (in charge of Inspection and Public Security) July 2019 Chief Prosecutor, Gifu District Public Prosecutors Office Apr. 2021 Deputy Prosecutor, Osaka District Public Prosecutors Office June 2022 Deputy Prosecutor, Osaka High Public Prosecutors Office Jan. 2023 Resigned as prosecutor Apr. 2023 Registered as an attorney (Osaka Bar Association) Of Counsel, Umeda Law Office (present position) Apr. 2024 Visiting Professor, Kansai University (present position) (Significant concurrent positions outside the Company) Of Counsel, Umeda Law Office	0
Reasons for nomination as candidate for Corporate Auditor We have nominated him as a candidate for Outside Auditor based on the judgment that he is qualified as Outside Auditor due to his extensive experience and knowledge through wide-ranging activities in the legal field as a prosecutor and lawyer. He has never been directly involved in corporate management. However, the Company judges he will appropriately fulfill his duties as an Outside Auditor based on the above reasons.			

- Notes:
1. There is no special interest between the candidates for Corporate Auditors and the Company.
  2. Akira Tsujiuchi is a candidate for Outside Auditor, and at the conclusion of this Ordinary General Meeting of Shareholders, he will have served as an Outside Auditor of the Company for four (4) years.  
The Company has designated him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and has notified therein.
  3. Kenzaburo Yazawa is a candidate for Outside Auditor. The Company plans to designate him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange and notify therein.
  4. The Company has signed a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The contract will cover losses and costs that may be incurred in cases where an insured such as Corporate Auditor assumes the liability in the course of their performance of duties or receives a claim concerning the pursuit of such liability. If the candidates are elected and assume the office as Corporate Auditor, they will be insured under the insurance contract. In addition, the insurance contract is planned to be renewed without revision at the next renewal.
  5. The Company has entered into an agreement limiting the liability for damages specified in Article 423, Paragraph 1 of the Companies Act pursuant to Article 427, Paragraph 1 of said Act with the candidate for Outside Auditor, Akira Tsujiuchi. The maximum amount of liability for damages will be the total of the amounts specified in each item of Article 425, Paragraph 1 of said Act, and if reelection of Akira Tsujiuchi is approved, the Company plans to continue such agreement with him. Also, if the election of candidate for Outside Auditor Kenzaburo Yazawa is approved, the Company plans to enter into the same agreement with him.

(Reference) Composition of the Board of Directors and the Board of Corporate Auditors (skills matrix)

To realize the basic policy, targets, and priority implementation items in the SJC Group Vision 2030 and the new Medium-term Management Plan, the Company reviewed the knowledge, experience and skills particularly expected with a focus on maximizing the value of human capital, expanding through growth strategies, promoting sustainability management, and engaging in management with an awareness of capital costs and stock price.

The composition of the Board of Directors and the Board of Corporate Auditors and skill matrix upon approval of Proposal No. 1 and Proposal No. 2 are as follows.

The table below shows the knowledge, experience, and skills particularly expected of each officer, and does not represent all the knowledge of each officer.

Name	Position	Knowledge, experience and skills particularly expected								
		Management	Maximizing the value of human capital	Expanding through growth strategies			Promoting sustainability management		Engaging in management with an awareness of capital costs and stock price	
		Corporate management	Personnel, labor, and human resources development	IT, digital technology and innovation	Business strategy, sales and marketing	Global operations	Environment and society	Compliance and risk management Safety, quality, and production	Finance and accounting Capital allocation	IR (PR) and branding
Hiroshi Baba	President and Representative Director	○	○		○	○	○	○		○
Toshitaka Miyata	Director (Outside)	○	○					○		
Hiroshi Takano	Director (Outside)	○			○	○				
Satoko Ito	Director (Outside)		○		○		○			○
Keiko Akaho	Director (Outside)						○			○
Yutaka Shibamura	Director	○			○	○				
Tomoyuki Kikuchi	Director	○	○	○			○	○	○	○
Nagaaki Miyoshi	Director	○		○	○	○				
Shuichiro Takabayashi	Director	○	○		○					
Akihito Tada	Full-time Auditor		○					○	○	
Katsuyoshi Sasaki	Full-time Auditor						○	○		
Hiroyuki Taketomo	Auditor (Outside)	○	○					○		
Akira Tsujiuchi	Auditor (Outside)							○	○	
Kenzaburo Yazawa	Auditor (Outside)		○					○		

**Proposal 3:** Revision of amount of remuneration for Outside Directors

The total amount of remuneration for Directors was approved at the 73rd Ordinary General Meeting of Shareholders held on June 28, 2007, and set at no more than 400 million yen per year (30 million yen for Outside Directors). The total amount for Directors was left as-is (no more than 400 million yen per year) at the 82nd Ordinary General Meeting of Shareholders held on June 29, 2016, but the amount for Outside Directors was raised to no more than 40 million yen.

As described in Proposal No. 1, the Company is proposing to increase the number of Outside Directors by one (1) to further strengthen corporate governance.

Therefore, to address changes in the environment for Outside Directors, the Company proposes that the total amount of remuneration for Directors (no more than 400 million yen per year) remain unchanged, while the amount of remuneration for Outside Directors be increased to no more than 50 million yen.

The Board of Directors decided upon this proposal via a review by The Personnel Affairs and Remuneration Advisory Committee and has deemed it appropriate with full consideration of future trends, the current number of employees, and Company's business scale, employee remuneration, and other salary standards.

The current number of Directors is eight (8) (including three [3] Outside Directors), but if Proposal No. 1 is approved and adopted, the number of Directors will be nine (9) (including four [4] Outside Directors).

**Proposal 4:** Revision of restricted stock compensation plan for Directors

With the aim of providing incentives to sustainably increase the Company's corporate value and to promote further value sharing with shareholders, it was resolved to introduce a restricted stock compensation plan (the "Plan") for the Company's Directors (excluding Outside Directors) at the 85th Ordinary General Meeting of Shareholders held on June 27, 2019 (the resolution on such proposal at the said Ordinary General Meeting of Shareholders is hereinafter referred to as the "Initial Resolution").

In order to prevent damage to the Company's corporate value and to provide Outside Directors with incentives to maintain the Company's credibility by sharing value with shareholders, the Company proposes that all Directors of the Company, including Outside Directors (the "Eligible Directors"), be eligible for the Plan.

In light of the increase in the number of Directors eligible for the Plan, the Company would like to revise the total amount of remuneration for the granting of restricted stock from "no more than 30 million yen per year" to "no more than 50 million yen per year (8 million yen per year for Outside Directors)" and the total number of shares granted from "no more than 10,000 shares per year" to "no more than 12,000 shares per year (2,000 shares per year for Outside Directors)."

Except for the above revisions, there are no changes to the contents of the Initial Resolution.

The Board of Directors decided upon this proposal via a review by The Personnel Affairs and Remuneration Advisory Committee and has deemed it appropriate with full consideration of future trends, the current number of employees, and Company's business scale, employee remuneration, and other salary standards.

The policies on determining the remuneration, etc. for each individual Director of the Company are as listed in pages 37-38 of the Business Report (in Japanese).

The current number of Directors is eight (8) (including three [3] Outside Directors), but if Proposal No. 1 is approved, the number of Directors will be nine (9) (including four [4] Outside Directors).

**Overview of Restricted Stock Compensation Plan (After Revision)**

For the purpose of giving Directors including Outside Directors an incentive to continuously improve the Company's corporate value and to promote further value sharing with shareholders, the Company will provide Directors with remuneration for the granting of restricted stock, separately from the monetary remuneration for Directors in Proposal 3 for this Ordinary General Meeting of Shareholders.

The remuneration to be paid to the Directors for the granting of restricted stock pursuant to this proposal shall be in the form of monetary claims ("Monetary Remuneration Claims"). The total amount shall be no more than 50 million yen per year (8 million yen per year for Outside Directors), as deemed reasonable in light of the aforementioned purposes.

In addition, the specific timing for provision thereof and the allocation to each Director shall be determined by the Board of Directors. It should be noted that the remuneration stated above shall not include the employee salaries for Directors concurrently serving as employees.

The Directors shall pay all Monetary Remuneration Claims to be provided under this proposal in the form of property contributed in kind, in accordance with the resolution of the Board of Directors of the Company, and shall, in return, receive common shares of the Company that shall be by disposal of treasury shares, and the total number of common shares of the Company through disposal of treasury shares shall be no more than 12,000 shares per year (2,000 shares per year for Outside Directors; however, if the Company performs a share split (including allotment of common shares of the Company without contribution) or a reverse share split of its common shares, or any other reason arises necessitating an adjustment to the total number of common shares of the Company through disposal of treasury share for restricted shares, the relevant total number shall be reasonably adjusted).

The amount to be paid per share shall be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to each resolution (or the closing price of the immediately preceding trading day if no trades were executed on that date). In addition, upon the disposal of shares of common stock of the Company in this manner, the Company shall enter into a restricted stock allotment agreement (the "Allotment Agreement," with shares of common stock received as a result of this allotment referred to as the "Allotted Shares") with the Directors, which shall include the following details.

(1) Restriction Period

Directors shall not transfer, grant a security interest in, or otherwise dispose of the Allotted Shares (“Transfer Restrictions”) for a period to be determined in advance by the Board of Directors of the Company between three (3) to 30 years from the pay-in date for the Allotted Shares (the “Restriction Period”).

(2) Handling Upon Retirement, etc.

If a Director retires or resigns from any position of Director, Executive Officer, or other position determined in advance by the Board of Directors of the Company before Restriction Period expires, the Company shall automatically acquire such Allotted Shares without contribution, unless the reason for his/her retirement or resignation from office is the expiration of the term of his/her office, death, or other justifiable reason. In any other case, the Company shall acquire, by rights, without contribution all the Allotted Shares if the Board of Directors of the Company has determined that it is appropriate for the Company to acquire them without contribution.

(3) Lifting of Transfer Restrictions

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restrictions on all of the Allotted Shares upon expiration of the Restriction Period, provided that the Director has continuously held the position determined in (2) above during the Restriction Period. However, if the Director retires or resigns from his/her position as designated in (2) above before the expiration of the Restriction Period due to the expiration of the term of his/her office, death, or other justifiable reason designated in (2) above, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of lifting as needed. In addition, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the provisions above. In addition, the Company shall, as a matter of course, acquire any Allotted Shares for which the Restriction Period has not yet been lifted for no consideration immediately after the Transfer Restrictions are lifted in accordance with the above provisions.

(4) Handling of Organizational Restructuring, etc.

Notwithstanding the provisions of (1) above, in the event that a merger agreement in which the Company becomes the absorbed company, a share exchange agreement in which the Company becomes a wholly owned subsidiary, a share transfer plan, or other matters related to organizational restructuring, etc. are approved at a General Meeting of Shareholders (the Board of Directors if the organizational restructuring, etc. does not require approval of the General Meeting of Shareholders) of the Company during the Restriction Period, the Company may, by a resolution of the Board of Directors, lift the Transfer Restrictions on the number of the Allotted Shares reasonably determined based on the period from the start of the Restriction Period to the date of approval of such organizational restructuring, etc. In addition, the Company shall automatically acquire any Allotted Shares for which the Restriction Period has not yet been lifted without contribution immediately after the Transfer Restrictions are lifted in accordance with the above provisions.

(5) Other Matters

Other matters related to the Allotment Agreement shall be determined by the Board of Directors.