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Securities Code: 3436

March 8, 2022

Dear Shareholders,

1-2-1 Shibaura, Minato-ku, Tokyo

## SUMCO CORPORATION

Mayuki Hashimoto,  
Representative Director

### Notice of Convocation of the 23rd Ordinary General Meeting of Shareholders

Please be informed that the 23rd Ordinary General Meeting of Shareholders of SUMCO CORPORATION will be held as described below.

For this Ordinary General Meeting of Shareholders, in order to prevent the spread of COVID-19, the seats at the meeting hall will be placed a wide distance apart, resulting in a significantly smaller seating capacity than previous years. Therefore, wherever possible, we ask you to exercise your voting rights by postal voting or via the Internet, etc.

If you are exercising your voting rights by postal voting or via the Internet, etc., prior to voting, please examine the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights as outlined on page 3 by 5:45 p.m. on Monday, March 28, 2022.

#### Details

1. **Date and Time:** Tuesday, March 29, 2022, at 10 a.m. (reception starts at 9 a.m.)
2. **Place:** Mielparque Hall  
2-5-20, Shibakoen, Minato-ku, Tokyo
3. **Objectives of the Meeting**  
**Matters to be reported:**
  1. Business Report and Consolidated Financial Statements for the 23rd Fiscal Year (from January 1, 2021 to December 31, 2021), as well as the Audit Reports of the Accounting Auditor and the Audit and Supervisory Committee for Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the 23rd Fiscal Year (from January 1, 2021 to December 31, 2021)

#### Agenda for resolution:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Five (5) Directors who are Audit and Supervisory Committee Members

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## Notes

- \* As provided for by laws and regulations and the provisions of Article 14 of the Articles of Incorporation of the Company, the items below are posted on the Company's website and are not included in the accompanying material to this document. As a result, the accompanying material to this document includes only a part of the materials that are the object of the audit by the Audit and Supervisory Committee and the Accounting Auditors.
  - 1) "Matters Relating to the Formulation of a System to Ensure Appropriate Corporate Actions" and "Overview of the State of the Operations of a System to Ensure Appropriate Corporate Actions" in the Business Report
  - 2) Consolidated Statement of Changes in Equity in Consolidated Financial Statements and Notes to Consolidated Financial Statements
  - 3) Non-consolidated Statement of Changes in Equity in Non-consolidated Financial Statements and Notes to Non-consolidated Financial Statements
- \* If any changes have been made to items in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements that need to be amended by the day before the General Meeting of Shareholders, such changes will be posted to you by mail or on the Company's website (<https://www.sumcosi.com/>).
- \* The contents of the Notice of Convocation have been disclosed through postings on the Company's website and the Tokyo Stock Exchange website prior to dispatching the Notice of Convocation from the perspective of providing information at an early stage.

## Guide to Measures Taken in Response to COVID-19

In the holding of this Ordinary General Meeting of Shareholders, in order to minimize, as much as possible, the risk of COVID-19 infection among our shareholders, we shall be taking the following measures. We appreciate your understanding and cooperation on this matter.

### ■ Exercise of voting rights beforehand

- In order to prevent the spread of COVID-19, the seats at the meeting hall will be placed a wide distance apart, resulting in a significantly smaller seating capacity than previous years. Therefore, wherever possible, we ask all shareholders to exercise their voting rights by postal voting or via the Internet, etc. For details on how to exercise voting rights by postal voting or via the Internet, etc., please refer to page 3.

### ■ Online streaming of General Meeting of Shareholders video

- After the conclusion of this Ordinary General Meeting of Shareholders, a video that filmed the meeting on the day shall be available online for streaming. For details on how to view the video, please refer to the guidance paper enclosed with this Notice of Convocation sent to all shareholders.

### ■ Requests to all shareholders attending the General Meeting of Shareholders

- For shareholders who will be attending the General Meeting of Shareholders, on the day, please check the conditions of the pandemic and your own health condition, and take ample precautions to prevent infections, such as wearing a mask.
- When you arrive at the meeting hall, please cooperate with the infection prevention measures conducted by the Company, including disinfecting your hands with alcohol, wearing a mask, and having your temperature taken.
- Please note that at the temperature-taking near the entrance of the meeting hall, if a shareholder is found to be running a temperature or appears to be unwell, with symptoms such as coughing, the shareholder may be refused entry.
- Please note that the seats at the meeting hall will be placed a wide distance apart, resulting in a significantly smaller seating capacity than previous years.
- We shall strive to shorten the meeting duration by endeavoring to efficiently proceed with the agenda of the General Meeting of Shareholders. We appreciate your understanding and cooperation on this matter.
- Operational staff shall participate in the meeting after verifying that their health is in good condition, and they shall be wearing masks on the day. We appreciate your understanding on this matter.

## Instructions Concerning the Exercise of Voting Rights

You may exercise your voting rights by one of the following three methods:

### **Exercise of voting rights via the Internet, etc.**

Access the Website for the Exercise of Voting Rights using your PC or smartphone and follow the on-screen instructions to indicate your approval or disapproval for the proposals.

See the next page for details.

Exercise due date: No later than 5:45 p.m. on Monday, March 28, 2022

### **Exercise of voting rights by mailing the Form for the Exercise of Voting Rights**

Please indicate your approval or disapproval for proposals on the Form for the Exercise of Voting Rights and post it to the Company without a postage stamp.

Exercise due date: To be received no later than 5:45 p.m. on Monday, March 28, 2022

### **How to fill in the form for the Exercise of Voting Rights**

Please indicate your approval or disapproval for each of the proposals 1, 2 and 3 according to the following.

Proposal 1

- If you approve: Please mark a  in the box marked “賛” (Approve).
- If you disapprove: Please mark a  in the box marked “否” (Disapprove).

Proposal 2 and Proposal 3

- If you approve of all candidates: Please mark a  in the box marked “賛” (Approve).
  - If you disapprove of all candidates: Please mark a  in the box marked “否” (Disapprove).
  - If you disapprove of some candidates: Please mark a  in the box marked “賛” (Approve) and write down the candidate numbers of the candidates that you disapprove of so that such candidates shall be excluded from the approval.
  - If you approve of some candidates: Please mark a  in the box marked “否” (Disapprove) and write down the candidate numbers of the candidates that you approve of so that such candidates shall be excluded from the disapproval.
- \* If the form is submitted without any indication of approval or disapproval, it will be deemed as approval for the proposals.

### **Exercise of voting rights by attending the General Meeting of Shareholders**

Please submit the enclosed Form for the Exercise of Voting Rights to the receptionist of the meeting. (A personal seal will not be required.)

Date and Time: Tuesday, March 29, 2022, at 10 a.m. (reception starts at 9 a.m.)

Place: Mielparque Hall, 2-5-20, Shibakoen, Minato-ku, Tokyo

### **Treatment of the exercise of voting rights**

- If you exercise your voting rights in duplicate both in writing and via the Internet, your vote via the Internet shall prevail.
- If you exercise your voting rights multiple times via the Internet, only your last vote will be counted as valid.

## Instructions for the Exercise of Voting Rights via the Internet

### By scanning the QR code “Smart Exercise”

You can login to the Website for the Exercise of Voting Rights without having to enter the Code for the Exercise of Voting Rights and Password.

1. Scan the QR code printed on the bottom right of the Form for the Exercise of Voting Rights.

\* QR code is a registered trademark of DENSO WAVE INCORPORATED.

2. Follow the on-screen instructions to indicate your approval or disapproval for the proposals.

Exercise of Voting Rights via “Smart Exercise” is available only once.

When you wish to change your vote after the exercise, please access the voting website for PCs, enter the “Code for the Exercise of Voting Rights” and “Password” printed on the Form for the Exercise of Voting Rights to login, and then exercise your voting rights again.

\* If you scan the QR code again, you can move to the voting website for PCs.

### By entering the Code for the Exercise of Voting Rights and Password

Website for the Exercise of Voting Rights: <https://www.web54.net>

1. Access the Website for the Exercise of Voting Rights.

2. Enter the “Code for the Exercise of Voting Rights” printed on the Form for the Exercise of Voting Rights.

3. Enter the “Password” printed on the Form for the Exercise of Voting Rights.

4. Follow the on-screen instructions to indicate your approval or disapproval for the proposals.

### For inquiries about the exercise of Voting Rights via the Internet

If you have any questions regarding the Exercise of Voting Rights via the Internet, please contact the following:

Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

Dedicated phone number: 0120-652-031 (from 9 a.m. to 9 p.m., only in Japan)

### To institutional investors

Besides the Exercise of Voting Rights via the Internet noted above, institutional investors may use the Electronic Voting Platform organized by Investor Communications Japan (ICJ) Inc., provided that application for the use of the Electronic Voting Platform is made in advance.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of reference documents for the general meeting of shareholders, etc., we propose that the Articles of Incorporation of the Company be amended as follows.

- (1) The purpose of Article 14, Paragraph 1 of the proposed text is to provide that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of Article 14, Paragraph 2 of the proposed text is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure and deemed provision of the reference documents for the general meeting of shareholders, etc. (Article 14 of the current text) will become unnecessary and will therefore be deleted.
- (4) In line with the above-mentioned establishment and deletion of provisions, supplementary provisions related to the effective date, etc. shall be established.

#### 2. Details of the amendments

The details of the amendments are as follows:

(Underlining denotes change)

Current Text	Proposed Text
<p>Article 1. to Article 13. (Provisions omitted)</p> <p><u>Article 14. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>The Company may, when convening a general meeting of shareholders, deem that it has provided its shareholders with information pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information via the internet in accordance with the provisions stipulated in the Ordinance of the Ministry of Justice.</u></p> <p style="text-align: center;">(Newly added)</p>	<p>Article 1. to Article 13. (Unchanged)</p> <p style="text-align: center;">(Deleted)</p> <p><u>Article 14. (Measures for Electronic Provision, Etc.)</u></p> <p><u>1. The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></p>

Current Text	Proposed Text
<p>Article 15. to Article 34. (Provisions omitted)</p>	<p><u>2. The Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice among the matters to be provided electronically in the paper copy to be sent to shareholders who have requested it by the record date for exercising voting rights.</u></p> <p>Article 15. to Article 34. (Unchanged)</p>
<p>Supplementary Provisions Article 1. (Provisions omitted)</p>	<p>Supplementary Provisions Article 1. (Unchanged)</p>
<p>(Newly added)</p>	<p><u>Article 2. (Interim measures concerning Measures for Electronic Provision, Etc.)</u></p> <p><u>1. The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation prior to the amendment based on a resolution at the 23rd Ordinary General Meeting of Shareholders and the establishment of Article 14 (Measures for Electronic Provision, Etc.) of the Articles of Incorporation after the amendment based on a resolution at the said General Meeting of Shareholders shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date of Act,”; hereinafter the same being applicable).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 14 of the Articles of Incorporation prior to the amendment shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date of Act.</u></p> <p><u>3. This Article shall be deleted on a date after the lapse of six months from the Effective Date of Act or a date after the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

**Proposal 2: Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)**

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire as of the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company requests the election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members).

We have received an opinion from the Audit and Supervisory Committee that the candidates and the selection process were appropriate as this Proposal has been determined at a meeting of the Board of Directors after being deliberated by the Nomination and Compensation Committee which includes Independent Outside Directors who are Audit and Supervisory Committee Members as its members. The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

No.	Name	Current position in the Company	Number of attendance at meetings of the Board of Directors (FY2021)
1 (re-appointed)	Mayuki Hashimoto	Representative Director Chairman & Chief Executive Officer	16 out of 16
2 (re-appointed)	Michiharu Takii	Representative Director Vice Chairman	16 out of 16
3 (newly appointed)	Toshihiro Awa	Executive Vice President	-
4 (newly appointed)	Jiro Ryuta	Senior Managing Executive Officer	-
5 (re-appointed)	Akane Kato	<u>Outside Director candidate</u> <u>Independent Director candidate</u> Director	16 out of 16

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company
1	<p style="text-align: center;"><b>Mayuki Hashimoto</b> <b>(January 10, 1951)</b></p> <p style="text-align: center;"><u>Re-appointed</u></p> <p>Number of the Company's common shares held 23,378 shares</p> <p>Number of years in office as Director 12 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 16 out of 16</p>	<p>Apr. 1976 Joined Mitsubishi Metal Corporation (the current Mitsubishi Materials Corporation)</p> <p>Apr. 2005 General Manager of Silicon Div., Electronic Materials &amp; Components Company, Mitsubishi Materials Corporation Outside Corporate Auditor of the Company</p> <p>Jun. 2005 Executive Officer, General Manager of Corporate Strategy Dept., Mitsubishi Materials Corporation</p> <p>Jun. 2006 Senior Executive Officer, President of Electronic Materials &amp; Components Company, Mitsubishi Materials Corporation</p> <p>Jun. 2007 Managing Director (Representative Director), President of Electronic Materials &amp; Components Company, Mitsubishi Materials Corporation</p> <p>Apr. 2010 Outside Director of the Company</p> <p>Jun. 2011 Executive Vice President (Representative Director) of Mitsubishi Materials Corporation</p> <p>Apr. 2012 President (Representative Director) of the Company</p> <p>Mar. 2016 Representative Director, Chairman &amp; Chief Executive Officer of the Company (present post)</p> <p>&lt;Areas of responsibility in the Company&gt; Chief Executive Officer Overall control</p>
<p>&lt;Reasons for nomination as a candidate for Director&gt; He has abundant experiences and satisfactory results of many years in the electronic materials business as well as excellent business execution capabilities as a management of the Company. He assumed the post of President (Representative Director) of the Company in 2012 and has served as Representative Director, Chairman &amp; Chief Executive Officer since 2016. Because he can be expected to strengthen the function of the Board of Directors with his abundant experiences in the electronic materials business and the Company's businesses as well as knowledge about general management, the Company nominates him again as a candidate for Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Mayuki Hashimoto has no special interests with the Company.</p>		



No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company
2	<p style="text-align: center;"><b>Michiharu Takii</b> <b>(February 10, 1950)</b></p> <p style="text-align: center;"><span style="border: 1px solid black; padding: 2px;">Re-appointed</span></p> <p>Number of the Company's common shares held 21,566 shares</p> <p>Number of years in office as Director 10 years (as of the conclusion of this Ordinary General Meeting of Shareholders) (Total number of years in office inclusive of the number of years served as Director in the past: 14 years)</p> <p>Number of attendance at meetings of the Board of Directors 16 out of 16</p>	<p>Apr. 1974 Joined Sumitomo Metal Industries, Ltd. (the current Nippon Steel Corporation)</p> <p>Apr. 2005 Managing Executive Officer, Assistant General Manager of Wakayama Steel Works, Sumitomo Metal Industries, Ltd.</p> <p>Oct. 2005 Managing Executive Officer, General Manager of Corporate Planning Dept., Sumitomo Metal Industries, Ltd.</p> <p>Apr. 2006 Outside Director of the Company</p> <p>Apr. 2009 Senior Managing Executive Officer of Sumitomo Metal Industries, Ltd. (the current Nippon Steel Corporation)</p> <p>Jun. 2009 Director, Senior Managing Executive Officer of Sumitomo Metal Industries, Ltd.</p> <p>Apr. 2012 Executive Vice President (Representative Director) of the Company</p> <p>Mar. 2016 Representative Director, President &amp; Chief Operating Officer of the Company</p> <p>Mar. 2018 Representative Director, Vice Chairman of the Company (present post)</p> <p>&lt;Areas of responsibility in the Company&gt; Assistant to the Chairman Chief Financial Officer</p>
<p>&lt;Reasons for nomination as a candidate for Director&gt; He has abundant experiences and satisfactory results of many years of working in the administration section as well as excellent business execution capabilities as a management of the Company. He assumed the post of Executive Vice President (Representative Director) of the Company in 2012 and the post of Representative Director, President &amp; Chief Operating Officer in 2016, and has served as Representative Director, Vice Chairman since 2018. Because he can be expected to strengthen the function of the Board of Directors with his abundant experiences in the administration section and knowledge about general management, the Company nominates him again as a candidate for Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Michiharu Takii has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company
3	<p style="text-align: center;"><b>Toshihiro Awa</b> <b>(January 30, 1962)</b></p> <p style="text-align: center;">Newly appointed</p> <p>Number of the Company's common shares held 19,456 shares</p> <p>Total number of years in office inclusive of the number of years served as Director in the past 1 year</p>	<p>Apr. 1984 Joined Mitsubishi Metal Corporation (the current Mitsubishi Materials Corporation)</p> <p>Jan. 2012 General Manager of International Sales &amp; Marketing Dept., Sales &amp; Marketing Div., the Company</p> <p>Mar. 2015 Executive Officer, Deputy General Manager of Sales &amp; Marketing Div., General Manager of International Sales &amp; Marketing Dept., In charge of Domestic Sales &amp; Marketing Dept., the Company</p> <p>Jan. 2016 Executive Officer, Deputy General Manager of Sales &amp; Marketing Div., General Manager of International Sales &amp; Marketing Dept., In charge of Sales Planning &amp; Administration Dept., Domestic Sales &amp; Marketing Dept., the Company</p> <p>Apr. 2016 Executive Officer, Deputy General Manager of Sales &amp; Marketing Div., In charge of Sales Planning &amp; Administration Dept., Domestic Sales &amp; Marketing Dept., International Sales &amp; Marketing Dept., the Company</p> <p>Sep. 2017 Managing Executive Officer, Deputy General Manager of Sales &amp; Marketing Div., In charge of Sales Planning &amp; Administration Dept., Domestic Sales &amp; Marketing Dept., International Sales &amp; Marketing Dept., the Company</p> <p>Mar. 2018 Director, Managing Executive Officer, General Manager of Sales &amp; Marketing Div., the Company</p> <p>Mar. 2019 Managing Executive Officer, General Manager of Sales &amp; Marketing Div., the Company</p> <p>Mar. 2020 Senior Managing Executive Officer, General Manager of Sales &amp; Marketing Div., the Company</p> <p>Mar. 2021 Executive Vice President, General Manager of Sales &amp; Marketing Div., the Company (present post)</p> <p>&lt;Areas of responsibility in the Company&gt; General Manager of Sales &amp; Marketing Div.</p>
<p>&lt;Reasons for nomination as a candidate for Director&gt; He has abundant experiences and satisfactory results of many years of working in the sales section as well as excellent business execution capabilities as a management of the Company. He has served as General Manager of Sales &amp; Marketing Div. since 2018. Because he can be expected to strengthen the function of the Board of Directors with his abundant experiences in the sales section and knowledge about general management, the Company nominates him as a candidate for Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Toshihiro Awa has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company
4	<p style="text-align: center;"><b>Jiro Ryuta</b> <b>(February 16, 1960)</b></p> <p style="text-align: center;">Newly appointed</p> <p>Number of the Company's common shares held 1,999 shares</p>	<p>Apr. 1985 Joined Mitsubishi Metal Corporation (the current Mitsubishi Materials Corporation)</p> <p>Jun. 2001 General Manager of South Plant, Mitsubishi Silicon America Corporation</p> <p>Apr. 2005 Executive Vice President of SUMCO Taiwan Technology Corporation</p> <p>Apr. 2008 General Manager of International Sales &amp; Marketing Dept., the Company</p> <p>Jan. 2012 President of SUMCO Singapore Pte. Ltd. President of SUMCO Taiwan Technology Corporation</p> <p>Mar. 2013 President of SUMCO Phoenix Corporation</p> <p>Mar. 2014 Executive Officer, the Company President of SUMCO Phoenix Corporation</p> <p>Mar. 2017 Managing Executive Officer, the Company President of SUMCO Phoenix Corporation</p> <p>Mar. 2021 Senior Managing Executive Officer, the Company President of SUMCO Phoenix Corporation (present post)</p> <p>&lt;Areas of responsibility in the Company&gt; President of SUMCO Phoenix Corporation</p>
<p>&lt;Reasons for nomination as a candidate for Director&gt; He has abundant experiences and satisfactory results of many years of working in the technology section, manufacturing section and sales section, as well as excellent business execution capabilities as a management of the Company. He has served as President of SUMCO Phoenix Corporation since 2013. Because he can be expected to strengthen the function of the Board of Directors with his abundant experiences in the technology section, manufacturing section and sales section and knowledge about general management, the Company nominates him as a candidate for Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Jiro Ryuta has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company and significant concurrent occupations or positions
5	<p style="text-align: center;"><b>Akane Kato</b> <b>(September 3, 1963)</b></p> <p style="text-align: center;"><u>Re-appointed</u></p> <p style="text-align: center;"><u>Outside Director candidate</u></p> <p style="text-align: center;"><u>Independent Director candidate</u></p> <p>Number of the Company's common shares held 449 shares</p> <p>Number of years in office as Outside Director 2 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 16 out of 16</p>	<p>Nov. 1984 Joined ALL NIPPON AIRWAYS CO., LTD.</p> <p>Jul. 1994 Instructor, Inflight Services Training Dept., Inflight Services Center, ALL NIPPON AIRWAYS CO., LTD.</p> <p>Jul. 2007 Chief, Training Div., ANA Learning Co., Ltd. (the current ANA Business Solutions Co., Ltd.)</p> <p>Apr. 2012 Manager of VIP Service Dept., Tokyo Airport Branch, ALL NIPPON AIRWAYS CO., LTD. (the current ANA AIRPORT SERVICES CO., LTD.)</p> <p>Jul. 2014 Representative Director of AKANE IDENTITIES INC. (present post)</p> <p>Jun. 2016 Outside Director of SAN-EI Corporation</p> <p>Apr. 2018 Part-time Lecturer of Toho College of Music</p> <p>Aug. 2019 Registered as a Career Consultant</p> <p>Mar. 2020 Outside Director of the Company (present post)</p> <p>&lt;Significant concurrent occupations or positions in other organizations&gt; Representative Director of AKANE IDENTITIES INC.</p>
<p>&lt;Reasons for nomination as a candidate for Outside Director and outline of roles expected to be fulfilled &gt; She possesses expert knowledge on human resources development and organizational operation, which she has cultivated through working as a human resources development consultant, and experiences in corporate management. Based on the above, because she can be expected to fully fulfill the responsibility of business decision-making and supervision of business execution from an independent standpoint as an Outside Director, the Company nominates her again as a candidate for Outside Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Akane Kato has no special interests with the Company.</p>		

- (Notes) 1. The number of the Company's common shares held by each candidate includes the number of shares actually held in the name of the shareholding association of the Company (as of December 31, 2021).
2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into a contract with Akane Kato to limit her liability for damages under Article 423, Paragraph 1 of the said Act (contract for limitation of liability). If her election is approved, the Company intends to continue the said contract with her. The outline of the contract is as follows.
- If non-Executive Directors have acted in good faith and without gross negligence in performing their duties, the liability for damages of the non-Executive Directors pursuant to Article 423, Paragraph 1 of the Companies Act shall be limited to the total amount specified in Article 425, Paragraph 1 of the said Act and they shall not be liable to the Company for any amount exceeding the said limit.
3. Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company to insure Mayuki Hashimoto, Michiharu Takii, Toshihiro Awa, Jiro Ryuta and Akane Kato as insured persons. The insurance contract covers legal damages and litigation expenses that may arise from the execution of duties by insured persons. The insurance premiums are fully borne by the Company. If their election is approved, they will continue to be insured by the said insurance contract. The Company intends to renew the contract after the expiration of the insurance period.
4. The Company has appointed Akane Kato as an Independent Director as provided for in the regulations of the Tokyo Stock Exchange and notified the Exchange to that effect. If her election is approved, she will continue to serve as an Independent Director.

**Proposal 3: Election of Five (5) Directors who are Audit and Supervisory Committee Members**

The terms of office of all five (5) Directors who are Audit and Supervisory Committee Members will expire as of the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company requests the election of five (5) Directors who are Audit and Supervisory Committee Members.

We have received consent to this Proposal from the Audit and Supervisory Committee.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

No.	Name	Current position in the Company	Number of attendance at meetings of the Board of Directors (FY2021)	Number of attendance at meetings of the Audit and Supervisory Committee (FY2021)
1 (Re-appointed)	Fumio Inoue	Director Full-time Audit and Supervisory Committee Member	13 out of 13	10 out of 10
2 (Re-appointed)	Hitoshi Tanaka <small>Outside Director candidate Independent Director candidate</small>	Director Audit and Supervisory Committee Member	16 out of 16	13 out of 13
3 (Re-appointed)	Masahiro Mitomi <small>Outside Director candidate Independent Director candidate</small>	Director Audit and Supervisory Committee Member	16 out of 16	13 out of 13
4 (Re-appointed)	Shinichiro Ota <small>Outside Director candidate Independent Director candidate</small>	Director Audit and Supervisory Committee Member	15 out of 16	12 out of 13
5 (Newly appointed)	Masahiko Sue <small>Outside Director candidate Independent Director candidate</small>	-	-	-

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company
1	<p style="text-align: center;"><b>Fumio Inoue</b> <b>(August 22, 1957)</b></p> <p style="text-align: center;"><u>Re-appointed</u></p> <p>Number of the Company's common shares held 9,207 shares</p> <p>Number of years in office as Director 1 year (as of the conclusion of this Ordinary General Meeting of Shareholders) (Total number of years in office inclusive of the number of years served as Director in the past: 5 years)</p> <p>Number of years in office as Director who is an Audit and Supervisory Committee Member 1 year (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 13 out of 13</p> <p>Number of attendance at meetings of the Audit and Supervisory Committee 10 out of 10</p>	<p>Apr. 1981 Joined Sumitomo Metal Industries, Ltd. (the current Nippon Steel Corporation)</p> <p>Apr. 2007 General Manager of Corporate Controller &amp; Group Companies Management Dept., the Company</p> <p>Apr. 2009 General Manager of Corporate Controller &amp; Group Companies Management Dept., General Manager of Corporate Planning Dept., the Company</p> <p>Feb. 2010 General Manager of Corporate Strategy Div., General Manager of Corporate Controller &amp; Group Companies Management Dept., the Company</p> <p>Apr. 2011 Executive Officer, General Manager of Corporate Strategy Div., General Manager of Corporate Controller &amp; Group Companies Management Dept., the Company</p> <p>Oct. 2012 Executive Officer, General Manager of Corporate Planning Dept., Corporate Strategy Div., the Company</p> <p>Mar. 2014 Managing Executive Officer, In charge of Accounting &amp; Budget Control Dept., General Manager of Finance Dept., Corporate Strategy Div., the Company</p> <p>Mar. 2015 Director, Managing Executive Officer, General Manager of Corporate Planning Dept., Corporate Strategy Div., the Company</p> <p>Mar. 2017 Director, Managing Executive Officer, General Manager of Corporate Strategy Div., General Manager of Corporate Planning Dept., the Company</p> <p>Mar. 2018 Director, Senior Managing Executive Officer, General Manager of Corporate Strategy Div., General Manager of Corporate Planning Dept., the Company</p> <p>Mar. 2019 Senior Managing Executive Officer, General Manager of Corporate Strategy Div., General Manager of Corporate Planning Dept., the Company</p> <p>Mar. 2020 Senior Managing Executive Officer, General Manager of Corporate Strategy Div., the Company</p> <p>Mar. 2021 Director (Full-time Audit and Supervisory Committee Member), the Company (present post)</p>
<p>&lt;Reasons for nomination as a candidate for Director&gt; He has been engaged in operations of the administration section for many years, and has abundant experiences and satisfactory results. He has served as Director (Full-time Audit and Supervisory Committee Member) since 2021. Because he can be expected to strengthen the function of the Board of Directors based on his abundant experiences and satisfactory results, the Company nominates him again as a candidate for Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Fumio Inoue has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company and significant concurrent occupations or positions
2	<p><b>Hitoshi Tanaka</b> <b>(July 28, 1950)</b></p> <p><u>Re-appointed</u></p> <p><u>Outside Director candidate</u></p> <p><u>Independent Director candidate</u></p> <p>Number of the Company's common shares held 2,061 shares</p> <p>Number of years in office as Outside Director 6 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of years in office as Director who is an Audit and Supervisory Committee Member 6 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 16 out of 16</p> <p>Number of attendance at meetings of the Audit and Supervisory Committee 13 out of 13</p>	<p>Apr. 1976 Registered as Attorney at Law Joined Narutomi Law Office (the current Marunouchi Minami Law Office)</p> <p>Oct. 2003 Representative of Narutomi Law Office (present post)</p> <p>Apr. 2005 Outside Corporate Auditor of the Company</p> <p>Jun. 2014 Outside Director of TOKYO ENERGY &amp; SYSTEMS INC. (present post)</p> <p>Mar. 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (present post)</p> <p>&lt;Significant concurrent occupations or positions in other organizations&gt; Attorney at Law (Representative of Marunouchi Minami Law Office) Outside Director of TOKYO ENERGY &amp; SYSTEMS INC.</p>
<p>&lt;Reasons for nomination as a candidate for Outside Director and outline of roles expected to be fulfilled&gt; Although he has never been directly involved in corporate management, he possesses expert knowledge on laws and regulations, etc. which he has cultivated through his duties as an attorney at law. Based on the above, because he can be expected to fully fulfill the responsibility of business decision-making and supervision of business execution from an independent standpoint as an Outside Director, the Company nominates him again as a candidate for Outside Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Hitoshi Tanaka has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company and significant concurrent occupations or positions
3	<p><b>Masahiro Mitomi</b> <b>(February 13, 1964)</b></p> <p><u>Re-appointed</u></p> <p><u>Outside Director candidate</u></p> <p><u>Independent Director candidate</u></p> <p>Number of the Company's common shares held 6,017 shares</p> <p>Number of years in office as Outside Director 8 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of years in office as Director who is an Audit and Supervisory Committee Member 6 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 16 out of 16</p> <p>Number of attendance at meetings of the Audit and Supervisory Committee 13 out of 13</p>	<p>Oct. 1987 Joined the Tokyo Office of Arthur Andersen</p> <p>Mar. 1991 Registered as a Certified Public Accountant</p> <p>Sep. 1991 Senior Staff of San Francisco Office, Arthur Andersen</p> <p>Sep. 1994 Manager of Seattle Office, Arthur Andersen</p> <p>Mar. 1996 Senior Manager of Atlanta Office, Arthur Andersen</p> <p>May 2001 Representative Director of Value Create Inc. (present post)</p> <p>Apr. 2009 Part-time Lecturer of Keio Business School (present post)</p> <p>Mar. 2014 Outside Director of the Company</p> <p>Mar. 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (present post)</p> <p>Mar. 2017 Outside Director (Audit and Supervisory Committee Member) of OTSUKA KAGU, LTD.</p> <p>&lt;Significant concurrent occupations or positions in other organizations&gt; Representative Director of Value Create Inc.</p>
<p>&lt;Reasons for nomination as a candidate for Outside Director and outline of roles expected to be fulfilled&gt; He possesses expert knowledge on corporate management, etc. which he has cultivated through working as a management consultant, and expert knowledge on finance and accounting which he has cultivated through his duties as a certified public accountant. Based on the above, because he can be expected to fully fulfill the responsibility of business decision-making and supervision of business execution from an independent standpoint as an Outside Director, the Company nominates him again as a candidate for Outside Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Masahiro Mitomi has no special interests with the Company.</p>		



No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company and significant concurrent occupations or positions
4	<p><b>Shinichiro Ota</b> <b>(May 13, 1946)</b></p> <p><u>Re-appointed</u></p> <p><u>Outside Director candidate</u></p> <p><u>Independent Director candidate</u></p> <p>Number of the Company's common shares held 1,168 shares</p> <p>Number of years in office as Outside Director 6 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of years in office as Director who is an Audit and Supervisory Committee Member 6 years (as of the conclusion of this Ordinary General Meeting of Shareholders)</p> <p>Number of attendance at meetings of the Board of Directors 15 out of 16</p> <p>Number of attendance at meetings of the Audit and Supervisory Committee 12 out of 13</p>	<p>Jul. 1969 Joined Ministry of International Trade and Industry (the current Ministry of Economy, Trade and Industry)</p> <p>Jun. 1998 Director-General of Environmental Protection and Industrial Location Bureau, Ministry of International Trade and Industry</p> <p>Sep. 1999 Director-General of Machinery and Information Industries Bureau, Ministry of International Trade and Industry</p> <p>Jan. 2001 Director-General of Commerce and Information Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>Jul. 2002 Commissioner of Japan Patent Office, Ministry of Economy, Trade and Industry</p> <p>Sep. 2003 Advisor of Sompo Japan Insurance Inc. (the current Sompo Japan Insurance Inc.)</p> <p>Jun. 2005 Executive Vice President of Electric Power Development Co., Ltd.</p> <p>Jun. 2013 Senior Counselor of Electric Power Development Co., Ltd.</p> <p>Mar. 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (present post)</p> <p>Aug. 2017 Representative Director and President of New Generation Small Rocket Development Planning Co. Ltd. (the current SPACE ONE Co., Ltd.) (present post)</p> <p>Jun. 2018 Senior Counselor of Electric Power Development Co., Ltd. (present post)</p> <p>&lt;Significant concurrent occupations or positions in other organizations&gt; Senior Counselor of Electric Power Development Co., Ltd. Representative Director and President of SPACE ONE Co., Ltd.</p>
<p>&lt;Reasons for nomination as a candidate for Outside Director and outline of roles expected to be fulfilled&gt; He has extensive experiences and knowledge which he has cultivated through his duties in the public administration field, and many years of experiences in corporate management. Based on the above, because he can be expected to fully fulfill the responsibility of business decision-making and supervision of business execution from an independent standpoint as an Outside Director, the Company nominates him again as a candidate for Outside Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Shinichiro Ota has no special interests with the Company.</p>		

No.	Name (Date of birth)	Career summary, current position and areas of responsibility in the Company and significant concurrent occupations or positions
5	<p><b>Masahiko Sue</b> <b>(December 18, 1955)</b></p> <p><u>Newly appointed</u></p> <p><u>Outside Director candidate</u></p> <p><u>Independent Director candidate</u></p> <p>Number of the Company's common shares held - shares</p>	<p>Apr. 1979 Joined Prime Minister's Office (current Cabinet Office)</p> <p>Sep. 2012 Director-General of Statistics Bureau, Ministry of Internal Affairs and Communications</p> <p>Jul. 2014 Officer for Statistical Information Strategy and Director-General of Statistical Training Institute, Ministry of Internal Affairs and Communications</p> <p>Apr. 2016 Executive Director and Vice-President of Shiga University (present post)</p> <p>&lt;Significant concurrent occupations or positions in other organizations&gt; Executive Director and Vice-President of Shiga University</p>
<p>&lt;Reasons for nomination as a candidate for Outside Director and outline of roles expected to be fulfilled&gt; Although he has never been directly involved in corporate management, he possesses expert knowledge and experiences in data science, etc., which he has cultivated through his duties in the public administration and education fields. Based on the above, because he can be expected to fully fulfill the responsibility of business decision-making and supervision of business execution from an independent standpoint as an Outside Director, the Company nominates him as a candidate for Outside Director.</p> <p>&lt;Special interests between the candidate and the Company&gt; Masahiko Sue has no special interests with the Company.</p>		

- (Notes) 1. The number of the Company's common shares held by each candidate includes the number of shares actually held in the name of the shareholding association of the Company (as of December 31, 2021).
2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Hitoshi Tanaka, Masahiro Mitomi and Shinichiro Ota to limit their liability for damages under Article 423, Paragraph 1 of the said Act (contracts for limitation of liability). If their election is approved, the Company intends to continue the said contracts with them. If the election of Masahiko Sue is approved, the Company intends to enter into the same contract with him. The outline of the contract is as follows.
- If non-Executive Directors have acted in good faith and without gross negligence in performing their duties, the liability for damages of the non-Executive Directors pursuant to Article 423, Paragraph 1 of the Companies Act shall be limited to the total amount specified in Article 425, Paragraph 1 of the said Act and they shall not be liable to the Company for any amount exceeding the said limit.
3. Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company to insure Fumio Inoue, Hitoshi Tanaka, Masahiro Mitomi and Shinichiro Ota as insured persons. The insurance contract covers legal damages and litigation expenses that may arise from the execution of duties by insured persons. The insurance premiums are fully borne by the Company. If their election is approved, they will continue to be insured by the said insurance contract. If the election of Masahiko Sue is approved, he will be also insured by the said insurance contract as an insured person. The Company intends to renew the contract after the expiration of the insurance period.
4. The Company has appointed Hitoshi Tanaka, Masahiro Mitomi and Shinichiro Ota as Independent Directors as provided for in the regulations of the Tokyo Stock Exchange and notified the Exchange to that effect. If their election is approved, they will continue to serve as Independent Directors. If the election of Masahiko Sue is approved, the Company will also appoint him as an Independent Director as provided for in the regulations of the Tokyo Stock Exchange.

## **[Reference] Basic stance on selection of candidates for Directors**

### ● Composition of the Board of Directors

1. The Company's basic stance for the composition of the Board of Directors is to have an appropriate number of Directors while considering the balance of the knowledge of the Company's business, experience, and capabilities of the Board of Directors, within the limits of fourteen (14) Directors (excluding Directors who are Audit and Supervisory Committee Members) and six (6) Directors who are Audit and Supervisory Committee Members as stipulated in the Articles of Incorporation.
2. The Company's Board of Directors is comprised of Inside Directors with a proven record of performance in their respective areas of responsibility and outstanding management abilities, and Outside Directors with expert knowledge and experience. Accordingly, the Company ensures achieving an overall balance and diversity in the knowledge, experience and capabilities of the Board of Directors.

### ● Qualifications and Nomination Policy

1. The Board of Directors determines candidates for Directors of the Company by selecting from an extensive and diverse range of human resources who possess the following qualifications.
  - i. A person who has abundant knowledge and experience regarding corporate management and business operations of the SUMCO Group
  - ii. A person who fully understands the social responsibility and mission of the Company's business and will conduct corporate management and business operations in a fair and accurate manner, based on strict self-discipline
2. Notwithstanding conditions stated in 1., candidates for Outside Directors are determined by selecting from an extensive and diverse range of human resources who possess the following qualifications.
  - i. A person who meets the Company's criteria for independence based on standards of independence for Independent Directors stipulated by the Tokyo Stock Exchange, and who is deemed to have no risk of conflicts of interests with the general shareholders
  - ii. A person who understands the corporate philosophy and vision of the Company, and fully understands the SUMCO Group's responsibility and role in society
  - iii. A person who fully recognizes his/her role as an Outside Director, utilizes his/her expert knowledge or experience in fields including corporate management, economics, law, accounting, taxation and auditing to supervise the Company's Directors and management, as well as provide relevant and appropriate suggestions and advices

### ● Nomination and Compensation Committee

The Company has established a Nomination and Compensation Committee composed of two Representative Directors (Directors Mayuki Hashimoto and Michiharu Takii) and three Independent Outside Directors (Directors Hitoshi Tanaka, Masahiro Mitomi and Shinichiro Ota) to serve as a discretionary advisory body for the Board of Directors. The Nomination and Compensation Committee receives requests from the Board of Directors for advice on the process for selection of candidate Directors and Executive Officers of the Company, their qualifications, and the reasons for their designation as candidates, as well as on the structure of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers, and related matters. The committee deliberates on the appropriateness and other aspects of the matter referred, including perspectives of gender and other elements of diversity, as well as professional knowledge and experience, and, also taking evaluations of the Company performance into account, delivers its advice.

### Company's Criteria for Independence

In addition to standards of independence stipulated by the Tokyo Stock Exchange, the Company deems persons who fall under any of the following criteria as not having sufficient independence from the Company.

1. A person who currently falls under any of (i) to (vii) below
  - i. A major shareholder (a shareholder with 10% or more of total voting rights) of the Company or a business executor thereof
  - ii. A major creditor of the Company (a creditor with a debt amount equivalent to 2% or more of total consolidated assets) or a business executor thereof
  - iii. A business executor of the lead underwriter of the Company
  - iv. A business executor of a business partner of the Company (a business partner whereby transactions comprise 1% or more of consolidated net sales of either the Company or the business partner)
  - v. A partner of the Accounting Auditor of the Company or an employee who engages in the auditing of the Company
  - vi. An expert in or consultant for law, accounting, taxation, etc. who receives more than 5 million yen in compensation, excluding officer remuneration, from the Company in a year (If the recipient is a company or an organization, a business executor of the organization whereby annual compensation exceeds the smaller of the following two amounts: 10 million yen or 1% of the annual total net sales of the organization)
  - vii. A business executor of an organization that receives more than 5 million yen in donations from the Company in a year
2. A person who has fallen under (i) to (vii) above at any time in the past three years

**[Reference] The members of the Board of Directors following the approval of Proposal 2 and Proposal 3**

The members of the Board of Directors will be as presented below provided that Proposal 2 and Proposal 3 are approved as originally proposed.

	Name		Position in the Company (Planned)
Re-appointed	Mayuki Hashimoto		Representative Director Chairman & Chief Executive Officer
Re-appointed	Michiharu Takii		Representative Director Vice Chairman
Newly appointed	Toshihiro Awa		Representative Director President
Newly appointed	Jiro Ryuta		Representative Director Executive Vice President
Re-appointed	Akane Kato	Outside Director Independent Director	Director
Re-appointed	Fumio Inoue		Director Full-time Audit and Supervisory Committee Member
Re-appointed	Hitoshi Tanaka	Outside Director Independent Director	Director Audit and Supervisory Committee Member
Re-appointed	Masahiro Mitomi	Outside Director Independent Director	Director Audit and Supervisory Committee Member
Re-appointed	Shinichiro Ota	Outside Director Independent Director	Director Audit and Supervisory Committee Member
Newly appointed	Masahiko Sue	Outside Director Independent Director	Director Audit and Supervisory Committee Member

Name	Skills (expertise, experience, capability, etc.) possessed by each Director						
	Corporate Management	Finance / Accounting	Legal Affairs / Compliance	Sales / Marketing	Internationality / Globality	Technology / Manufacturing / IT	Human Resources Management / Human Resources Development
Mayuki Hashimoto	●	●			●	●	●
Michiharu Takii	●	●	●				●
Toshihiro Awa	●			●	●		●
Jiro Ryuta	●			●	●	●	●
Akane Kato	●				●		●
Fumio Inoue	●	●			●		
Hitoshi Tanaka			●				●
Masahiro Mitomi	●	●			●		●
Shinichiro Ota	●		●		●		●
Masahiko Sue					●	●	●

## **Business Report**

(From January 1, 2021 to December 31, 2021)

### **1. Business Progress and Achievement of the Corporate Group**

#### **(1) Business activities and results**

During fiscal year 2021 (January 1, 2021–December 31, 2021), the market for 300 mm semiconductor silicon wafers saw continued supply and demand tightness. Among the factors driving demand was strong investment in data centers, as 5G introduction for smartphones and the trend toward teleworking boosted network traffic. Other factors included EV advances, the spread of self-driving, and recovery of consumer product and industrial demand.

For wafers of 200 mm and smaller, as well, supply continued to fall short of demand, with the rapid recovery for automotive, consumer and industrial.

In this environment, in line with the SUMCO Vision, the SUMCO Group sought to maintain our strong presence with customers through technology development aimed at meeting their needs for leading-edge, distinctive products, while endeavoring to raise productivity through AI introduction and to improve our profitability by reducing costs.

In addition, given the outlook for market growth in the medium to long term, and having run out of space for expanding production in our existing plants, the Group has committed to capital investment in new buildings, utility equipment, and manufacturing equipment in Japan that will make possible ongoing phased production increases of leading-edge 300 mm semiconductor silicon wafers.

At the same time, we have raised additional capital by public offering, and have built up a financial base capable of dynamically responding to the needs for staged increases in production of the above-noted silicon wafers.

We have further decided on Green Field investment in 300 mm wafer production at our Taiwan joint venture, Formosa SUMCO Technology Corporation.

As a result, for the fiscal year 2021, the Group registered consolidated net sales of ¥335,674 million, operating income of ¥51,543 million, ordinary income of ¥51,107 million and net income attributable to owners of the parent of ¥41,120 million.

<SUMCO Vision>

1. World's Best in Technology
2. Deficit-Resistant Even during Economic Downturns
3. Empower Employee Awareness of Profit
4. Competitiveness in Overseas Markets

#### **(2) Status of capital investments**

Capital investment for the SUMCO Group executed during the consolidated fiscal year under review totaled 69,536 million yen.

The principal items are attributed to investments in a capacity expansion of 300 mm high-precision wafers for cutting edge semiconductors.

### (3) Status of financing

During the consolidated fiscal year under review, the SUMCO Group raised a total of 29,500 million yen through long-term debt from multiple financial institutions as the Group's necessary funds. In addition, the Company issued new shares through public offering as shown below and raised a total of 120,631 million yen for capital investments to be made at domestic manufacturing bases of the Company.

Number of issued shares	Amount to be paid per share	Amount raised	Payment date
60,000,000 shares	2,010.52 yen	120,631 million yen	October 18, 2021

### (4) Issues to be dealt with

Regarding the current market of 300 mm silicon wafers for semiconductor, the supply and demand balance are expected to tighten due to the spread of 5G, an increase in data traffic, permanence of teleworking, and growth of the semiconductor market driven by technology innovations as represented by digital transformation (DX). As a result, the situation is expected to continue where we are unable to fully respond to customer demands. As for 200 mm wafers as well, the robust demand is expected to continue for automotive, consumer and industrial use.

In this environment, the SUMCO Group will continue striving to maintain our strong presence among customers through technology development responding to their needs for leading-edge, distinctive products, and improve profitability through increased productivity with the introduction of AI, optimized pricing, and cost reduction, continuously in line with the SUMCO Vision. In addition, amid concerns mainly over the impact of the COVID-19 crisis and US-China trade friction, we are monitoring market movements carefully in an effort to minimize risks.

Regarding capital investments, we have been raising production capacity gradually in line with the market growth; however, on the back of solid increase in demand, supply can no longer keep up with demand with the Group's manufacturing facilities. Given this situation, we decided in September 2021 to execute capital investment of 228.7 billion yen pertaining to new buildings, utility equipment and manufacturing equipment that will make possible ongoing phased production increases of leading-edge 300 mm semiconductor silicon wafers. Going forward, we continue implementing capital investments as appropriate in a disciplined manner, while fulfilling our responsibility to customers as a supplier and taking into consideration supply and demand forecasts of the wafer market on each occasion and the lead-time required to newly install and increase manufacturing equipment. When implementing production capacity increases, we will preferentially allocate the supply to customers who accept prices that are economically reasonable and long-term sales contracts with a contract period longer than the previous ones (approximately two to three years).

With regard to polycrystalline silicon, which is the main raw material of silicon wafers, due to abrupt changes in the market, a disparity existed between the demand forecasts upon entering into long-term purchase contracts and the current consumption forecasts. Consequently, we are now holding excess inventories. The inventory balance peaked at the end of fiscal year 2016 and has begun to decline, and it is expected to recover to an appropriate level in the next five years or so. The balance of "raw materials and supplies" including raw material inventories has decreased 7.2 billion yen from the end of the previous fiscal year to 134.9 billion yen.

In addition, the SUMCO Group is promoting initiatives for ESG (Environmental, Social and Governance) and SDGs and has identified issues it will address on a priority basis as materiality (key issues). These issues are intended to resolve social issues and enhance corporate value in a sustainable manner. In September 2021, the Group established new medium- to long-term goals with regard to carbon neutrality and promotion of the active participation of women. We will further accelerate our activities.



**(5) Status of consolidated assets and operating results**

Category	19th fiscal year (year ended December 31, 2017)	20th fiscal year (year ended December 31, 2018)	21st fiscal year (year ended December 31, 2019)	22nd fiscal year (year ended December 31, 2020)	23rd fiscal year (year ended December 31, 2021)
Net sales (millions of yen)	260,627	325,059	299,460	291,333	335,674
Ordinary income (millions of yen)	36,709	83,068	48,310	35,650	51,107
Net income attributable to owners of the Parent (millions of yen)	27,016	58,580	33,112	25,505	41,120
Net income per share (yen)	92.12	199.74	112.90	87.48	135.86
Total assets (millions of yen)	530,906	588,250	578,511	593,443	764,821
Net assets (millions of yen)	281,623	325,545	341,149	355,003	522,842
Net assets per share (yen)	822.53	971.76	1,030.39	1,082.22	1,359.77

**(6) Status of significant subsidiaries**

Company name	Capital	Equity ownership (includes indirect holdings)	Main business activities
SUMCO TECHXIV CORPORATION	100 million yen	100.00%	Manufacture of silicon wafers for semiconductor
SUMCO Phoenix Corporation	4 thousand US dollars	100.00%	Manufacture and sales of silicon wafers for semiconductor
FORMOSA SUMCO TECHNOLOGY CORPORATION	3,878 million NT dollars	45.57%	Manufacture and sales of silicon wafers for semiconductor

**(7) Main business activities (as of December 31, 2021)**

Manufacture and sales of silicon wafers for semiconductor

**(8) Main offices and plants (as of December 31, 2021)**

The Company	Head Office	Minato-ku, Tokyo
	Sales Offices	Minato-ku, Tokyo
		Yodogawa-ku, Osaka Hakata-ku, Fukuoka
Factories and Plants	Kyushu Factory (Imari-shi, Saga, Kohoku-machi, Kishima-gun, Saga and Omura-shi, Nagasaki) Yonezawa Plant (Yonezawa-shi, Yamagata) Chitose Plant (Chitose-shi, Hokkaido) JSQ Division (Akita-shi, Akita)	
Subsidiaries	Domestic Manufacturing Bases	SUMCO TECHXIV CORPORATION (Omura-shi, Nagasaki, etc.)
	Overseas Manufacturing Bases	SUMCO Phoenix Corporation (USA) FORMOSA SUMCO TECHNOLOGY CORPORATION (Taiwan)

**(9) Status of employees (as of December 31, 2021)****1) Employees of the corporate group**

Number of employees	Increase (decrease) from the previous consolidated fiscal year-end
8,469	Increased by 270

(Note) The number of employees represents the number of employees working in the SUMCO Group, but does not include temporary workers.

**2) Employees of the Company**

Number of employees	Increase (decrease) from the previous fiscal year-end	Average age	Average service years
4,168	Increased by 157	43.6 years old	17.2 years

(Note) The number of employees represents the number of employees working in the Company, but does not include temporary workers.

**(10) Major creditors and balance of borrowings (as of December 31, 2021)**

Creditor	Balance of borrowings
	millions of yen
Sumitomo Mitsui Banking Corporation	20,250
MUFG Bank, Ltd.	18,075
Development Bank of Japan Inc.	14,498
Sumitomo Mitsui Trust Bank, Limited	10,750
Mizuho Bank, Ltd.	10,250

(Note) In order to raise operating funds in a flexible manner, other than the amounts noted above, the Company has entered into a commitment line agreement with a borrowing limit of 30,000 million yen with multiple financial institutions (no executed amount).

## 2. Status of the Company's Shares (as of December 31, 2021)

(1) **Total number of authorized shares:** Common shares 804,000,000

(2) **Total number of issued shares:** Common shares 350,175,139  
(including 7,855 shares of treasury stock)

(Note) Total number of issued shares increased by 58,993,900 shares from the previous fiscal year-end due to the cancellation of 1,006,100 shares of treasury stock conducted on April 14, 2021 and the issuance of 60,000,000 new shares through public offering with October 18, 2021 as the payment date.

(3) **Number of shareholders:** Common shares 89,620  
(increase of 17,452 from the previous fiscal year-end)

### (4) Major shareholders (Top 10)

Name of shareholder	Number of shares held	Equity ownership
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	41,250	11.78
Custody Bank of Japan, Ltd. (Trust account)	20,159	5.76
GOVERNMENT OF NORWAY	13,241	3.78
Mitsubishi Materials Corporation	9,846	2.81
SMBC Nikko Securities Inc.	9,498	2.71
SSBTC CLIENT OMNIBUS ACCOUNT	9,493	2.71
MSCO CUSTOMER SECURITIES	9,011	2.57
GIC PRIVATE LIMITED - C	7,370	2.10
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	7,163	2.05
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	5,514	1.57

(Note) The equity ownership is calculated after deducting treasury stock (7,855 shares).

**(5) Other matters concerning the Company's shares**

At the Board of Directors meeting held on February 19, 2021, the Company resolved matters concerning the repurchase of its own shares pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act and Article 32 of the Articles of Incorporation of the Company, as well as matters concerning the cancellation of treasury stock pursuant to the provisions of Article 178 of the Companies Act. The repurchase and cancellation of treasury stock were conducted as follows.

1) Repurchase of treasury stock

Class of shares repurchased	Common shares
Total number of shares repurchased	1,006,100 shares
Total amount of repurchase	2,499,834,800 yen
Repurchase period	From February 22, 2021 to March 18, 2021
Repurchase method	Market purchase on the Tokyo Stock Exchange

2) Cancellation of treasury stock

Class of shares cancelled	Common shares
Total number of shares cancelled	1,006,100 shares
Date of cancellation	April 14, 2021

### 3. Officers of the Company

#### (1) Status of Directors (as of December 31, 2021)

Position	Name	Significant concurrent occupations or positions
Representative Director	Mayuki Hashimoto	
Representative Director	Michiharu Takii	
Representative Director	Hisashi Furuya	
Representative Director	Kazuo Hiramoto	
Director	Akane Kato	Representative Director of AKANE IDENTITIES INC.
Director Full-time Audit and Supervisory Committee Member	Fumio Inoue	
Director Audit and Supervisory Committee Member	Hitoshi Tanaka	Attorney at law (Representative of Marunouchi Minami Law Office) Outside Director of TOKYO ENERGY & SYSTEMS INC.
Director Audit and Supervisory Committee Member	Masahiro Mitomi	Certified Public Accountant Representative Director of Value Create Inc.
Director Audit and Supervisory Committee Member	Shinichiro Ota	Senior Counselor of Electric Power Development Co., Ltd. Representative Director and President of SPACE ONE Co., Ltd.
Director Audit and Supervisory Committee Member	Akio Fuwa	

- (Notes)
- Directors Akane Kato, Hitoshi Tanaka, Masahiro Mitomi, Shinichiro Ota, and Akio Fuwa are Outside Directors.
  - Audit and Supervisory Committee Member Masahiro Mitomi is a certified public accountant and has considerable knowledge in finance and accounting.
  - For the purpose of strengthening the auditing and supervisory functions of the Audit and Supervisory Committee, Fumio Inoue is appointed as Full-time Audit and Supervisory Committee Member for information collection from Directors (excluding Directors who are Audit and Supervisory Committee Members), executive officers, employees, and other relevant personnel, participation in important meetings, and close coordination with the Internal Auditing Department and other relevant departments.
  - The Company has appointed Directors Akane Kato, Hitoshi Tanaka, Masahiro Mitomi, Shinichiro Ota, and Akio Fuwa as Independent Directors as provided for in the regulations of the Tokyo Stock Exchange and notified the Exchange to that effect.
  - Director Akane Kato retired from the position of Outside Director of SAN-EI Corporation on June 21, 2021.
  - Directors who retired during the business year under review are as follows. Positions shown in the list are those as of the time of retirement.

Position in the Company	Name	Date of retirement	Reason for retirement
Director Full-time Audit and Supervisory Committee Member	Hiroshi Yoshikawa	March 25, 2021	Resignation
Director Full-time Audit and Supervisory Committee Member	Atsuro Fujii	March 25, 2021	Resignation

7. The Company adopts an executive officer system. The following is the list of executive officers as of January 1, 2022. Executive officers marked with \* are also Directors of the Company.

Title	Name	Area(s) of responsibility
* Chairman & Chief Executive Officer	Mayuki Hashimoto	Chief Executive Officer Overall control
* Vice Chairman	Michiharu Takii	Assistant to the Chairman Chief Financial Officer
* President & Chief Operating Officer	Hisashi Furuya	Chief Operating Officer General Manager of Technology Div.
* Executive Vice President	Kazuo Hiramoto	Assistant to the Chairman Head of AI Promotion Div.
Executive Vice President	Toshihiro Awa	General Manager of Sales & Marketing Div.
Senior Managing Executive Officer	Seiji Miyachi	General Manager of Production Div. General Manager of Kyushu Factory Head of Plant Engineering
Senior Managing Executive Officer	Jiro Ryuta	President of SUMCO Phoenix Corporation
Managing Executive Officer	Kazuhiro Ikezawa	Acting General Manager of Production Div. In charge of Safety & Disaster Prevention Dept. President of SUMCO Technology Corporation
Managing Executive Officer	Makoto Itoh	General Manager of JSQ Div.
Managing Executive Officer	Shinichi Kubozoe	General Manager of Corporate Strategy Div.
Managing Executive Officer	Atsuro Fujii	Head of General Affairs and Human Resources Chief Compliance Officer Officer responsible for ESG and SDGs
Managing Executive Officer	Takashi Atami	In charge of Saga Plant, Nagasaki Plant and Yonezawa Plant Head of Crystal Engineering
Managing Executive Officer	Naoki Ikeda	Head of Customer Product Engineering, Quality Assurance, Advanced Evaluation & Technology Development, Engineering Planning and Intellectual Property
Managing Executive Officer	Naruya Hirota	General Manager of Construction Div. Head of Epitaxial Engineering
Executive Officer	Akihiro Yukawa	General Manager of General Affairs Dept.
Executive Officer	Daizo Horie	General Manager of Procurement Dept.
Executive Officer	Hiroshi Shibaya	Deputy General Manager of Production Div. In charge of Imari Plant I, Imari Plant II, Kubara Plant I, Kubara Plant II and Chitose Plant In charge of Wafer Engineering Supervision of Construction Div.
Executive Officer	Satoshi Matsuda	General Manager of Human Resources Dept.
Executive Officer	Kazuya Takahashi	General Manager of Plant Engineering Dept. Supervision of Construction Div.
Executive Officer	Yasuharu Sasaki	Deputy General Manager of Sales & Marketing Div. General Manager of International Sales & Marketing Dept.
Executive Officer	Masayasu Hara	General Manager of Kubara Plant I

Title	Name	Area(s) of responsibility
Executive Officer	Fumihiko Yoshida	General Manager of Imari Plant I
Executive Officer	Tomoaki Tajiri	General Manager of Imari Plant II
Executive Officer	Takeo Kato	General Manager of AI Promotion Div. Supervision of Construction Div.

**(2) Outline of the contract for limitation of liability**

Pursuant to Article 427, Paragraph 1 of the Companies Act, it is prescribed in the Articles of Incorporation of the Company in effect that the Company may enter into contracts with non-Executive Directors with regard to limitation of liability for damages to the Company in an effort to attract competent individuals from outside the Company to the said posts and encourage them to perform their duties to the best of their ability. In accordance with the said provision, the Company has entered into contracts for limitation of liability with non-Executive Directors Akane Kato, Hitoshi Tanaka, Masahiro Mitomi, Shinichiro Ota, and Akio Fuwa, respectively. The outline of the contract is as follows.

- If non-Executive Directors have acted in good faith and without gross negligence in performing their duties, the liability for damages of the non-Executive Directors pursuant to Article 423, Paragraph 1 of the Companies Act shall be limited to the total amount specified in Article 425, Paragraph 1 of the said Act and they shall not be liable to the Company for any amount exceeding the said limit.

**(3) Outline of directors and officers liability insurance contract**

The Company has entered into a directors and officers liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers legal damages and litigation expenses that may arise from the execution of duties by Directors, Corporate Auditors, Executive Officers and retired executives of the Company and its domestic subsidiaries, who are insured persons of the contract. The insurance premiums are fully borne by the Company. In addition, as a measure to ensure that the appropriate execution of their duties by the insured persons is not compromised, this insurance contract stipulates that no insurance money will be paid to insured persons for damages arising from certain conditions, such as unlawful receipt of private benefit or criminal acts committed by insured persons.

**(4) Remuneration and other payments to Directors**

**1) Matters concerning a decision-making policy for the contents of remuneration and other payments to individual Directors (excluding Directors who are Audit and Supervisory Committee Members)**

- a. Method for determining a decision-making policy for the contents of remuneration and other payments to individual Directors (excluding Directors who are Audit and Supervisory Committee Members)

A decision-making policy for the remuneration and other payments to Directors (excluding Directors who are Audit and Supervisory Committee Members) and the amounts of such payments or their calculation methods are discussed by the Nomination and Compensation Committee consisting of two Representative Directors and three Independent Outside Directors and finalized with the resolution by the Board of Directors. The Nomination and Compensation Committee receives requests from the Board of Directors for advice on the structure of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers, and related matters. The committee deliberates on the appropriateness and other aspects of the matter referred and, also taking evaluations of the Company performance into account, delivers its advice.

Upon receiving the advice from the Nomination and Compensation Committee, the Board of Directors determines remuneration and other payments to Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers.

b. Outline of contents of the decision-making policy

The Company employs a system where the remuneration of Directors (excluding non-Executive Directors) are determined with a view to encouraging them to contribute to the improvement of business results and the enhancement of corporate value. Remuneration for the Directors (excluding non-Executive Directors) are within the total amount determined by resolution of the General Meeting of Shareholders, and comprises a fixed remuneration level based on their office and rank, and a factor linked to the Company's most recent business results. The Company regularly reviews the remuneration level to reflect the long-term performance.

The Company has judged that it is appropriate to use the semi-annual net income attributable to owners of the parent as an index for remuneration linked to the Company's business results and finalizes the amount in accordance with the calculation method and taking into account the individual assessment.

In addition, a policy on determination of the ratio of fixed remuneration to performance-linked remuneration paid to Directors (excluding non-Executive Directors) was resolved at the meeting of the Board of Directors held on February 19, 2021. When applying the result of net income attributable to owners of the parent recorded in FY2021, which was designated as the index pertaining to performance-linked remuneration, the ratio of fixed remuneration to performance-linked remuneration is approximately 4:1. The results of the index pertaining to performance-linked remuneration of Directors (excluding non-Executive Directors) for the business year under review are 16,373 million yen in total for the first and second quarters and 24,747 million yen for the third and fourth quarters.

c. Reasons why the Board of Directors judged that contents of remuneration and other payments to individual Directors (excluding Directors who are Audit and Supervisory Committee Members) made in the business year under review are in line with the decision-making policy

Contents of remuneration and other payments to individual Directors (excluding Directors who are Audit and Supervisory Committee Members) were deliberated in advance by the Nomination and Compensation Committee in light of the above decision-making policy, and then, by giving respect to the contents of such deliberation, determined by resolution of the Board of Directors. The decision was made through a decision-making process where transparency and objectivity are ensured and through deliberations including the consistency with the decision-making policy and other aspects. Accordingly, the Board of Directors judged that contents of remuneration and other payments to individual Directors (excluding Directors who are Audit and Supervisory Committee Members) made in the business year under review are in line with the decision-making policy.

**2) Matters concerning a decision-making policy for the contents of remuneration and other payments to individual Directors who are Audit and Supervisory Committee Members**

The Directors who are Audit and Supervisory Committee Members receive only a fixed remuneration from the perspective of ensuring the appropriate conduct of their duties such as auditing and the supervision of the execution of business operations. The remuneration is determined through deliberations of the Audit and Supervisory Committee Members within the total amount determined by resolution of the General Meeting of Shareholders, and by taking into account the role and duties of each such Member and whether he or she is a full-time or part-time Member.



### 3) Remuneration and other payments to Directors

Category	Number of persons paid	Total amount of remuneration and other payments by type		Total amount of remuneration and other payments
		Basic remuneration	Performance-linked remuneration	
Directors (excluding Directors who are Audit and Supervisory Committee Members)	person(s)	thousands of yen	thousands of yen	thousands of yen
	5	268,008	66,819	334,827
(Outside Directors (inclusive in the above))	(1)	(9,600)	(-)	(9,600)
Directors who are Audit and Supervisory Committee Members	7	77,280	-	77,280
(Outside Directors (inclusive in the above))	(4)	(38,400)	(-)	(38,400)
Total	12	345,288	66,819	412,107
(Outside Directors (inclusive in the above))	(5)	(48,000)	(-)	(48,000)

- (Notes)
1. The total remuneration for all Directors (excluding Directors who are Audit and Supervisory Committee Members) is within 460 million yen annually (of which, the total remuneration for Outside Directors is within 50 million yen annually) (excluding employee salary) pursuant to the resolution at the 17th Ordinary General Meeting of Shareholders held on March 29, 2016. The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) as of the conclusion of the said Ordinary General Meeting of Shareholders was eight (including two Outside Directors).
  2. We have received an opinion from the Audit and Supervisory Committee that the remuneration and other payments to Directors (excluding Directors who are Audit and Supervisory Committee Members) are appropriate in terms of the basic policy on the remuneration system, specific calculation method, etc., and that its decision process is appropriate as well, as the remuneration and other payments have been determined at a meeting of the Board of Directors after being deliberated by the Nomination and Compensation Committee which includes Independent Outside Directors who are Audit and Supervisory Committee Members as its members.
  3. The total remuneration for all Directors who are Audit and Supervisory Committee Members is within 110 million yen annually pursuant to the resolution at the 17th Ordinary General Meeting of Shareholders held on March 29, 2016. The number of Directors who are Audit and Supervisory Committee Members as of the conclusion of the said Ordinary General Meeting of Shareholders was six (including four Outside Directors).

**(5) Matters concerning Outside Directors**

**1) Significant concurrent occupations or positions in other organizations and the Company's relationship with them**

Category	Name	Company where concurrent service is provided	Concurrent position	Relationship
Outside Director	Akane Kato	AKANE IDENTITIES INC.	Representative Director	—
Outside Director Audit and Supervisory Committee Member	Hitoshi Tanaka	Attorney at Law (Marunouchi Minami Law Office)	Representative	—
		TOKYO ENERGY & SYSTEMS INC.	Outside Director	—
Outside Director Audit and Supervisory Committee Member	Masahiro Mitomi	Value Create Inc.	Representative Director	—
Outside Director Audit and Supervisory Committee Member	Shinichiro Ota	Electric Power Development Co., Ltd.	Senior Counselor	—
		SPACE ONE Co., Ltd.	Representative Director and President	
Outside Director Audit and Supervisory Committee Member	Akio Fuwa	—	—	—

(Note) Outside Director Akane Kato had concurrently served as Outside Director of SAN-EI Corporation, but she retired from the position on June 21, 2021. SAN-EI Corporation had no special interests with the Company.

## 2) Major activities during the business year under review

Category	Name	Status of major activities
Outside Director	Akane Kato	Having attended all 16 Board of Directors meetings held in the business year under review, Akane Kato appropriately fulfills expected roles and perform business decision-making and supervision of business execution from an independent standpoint as an Outside Director based on her expert knowledge on human resources development and organizational operation, which she has cultivated mainly through working as a human resources development consultant, as well as experience in corporate management.
Outside Director Audit and Supervisory Committee Member	Hitoshi Tanaka	Having attended all 16 Board of Directors meetings and all 13 Audit and Supervisory Committee meetings held in the business year under review, Hitoshi Tanaka appropriately fulfills expected roles and perform business decision-making and supervision of business execution from an independent standpoint as an Outside Director based on his expert knowledge mainly on laws and regulations, which he has cultivated through working as an attorney at law. He is also an active member of the Nomination and Compensation Committee established as a discretionary advisory body to the Board of Directors.
Outside Director Audit and Supervisory Committee Member	Masahiro Mitomi	Having attended all 16 Board of Directors meetings and all 13 Audit and Supervisory Committee meetings held in the business year under review, Masahiro Mitomi appropriately fulfills expected roles and perform business decision-making and supervision of business execution from an independent standpoint as an Outside Director based on his expert knowledge mainly on corporate management, etc., which he has cultivated through working as a management consultant, and expert knowledge on finance and accounting, which he has cultivated through working as a certified public accountant. He is also an active member of the Nomination and Compensation Committee established as a discretionary advisory body to the Board of Directors.
Outside Director Audit and Supervisory Committee Member	Shinichiro Ota	Having attended 15 meetings out of 16 Board of Directors meetings and 12 meetings out of 13 Audit and Supervisory Committee meetings held in the business year under review, Shinichiro Ota appropriately fulfills expected roles and perform business decision-making and supervision of business execution from an independent standpoint as an Outside Director based on his broad experience and knowledge which he has cultivated through his duties mainly in the public administration field, and many years of experience in corporate management. He is also an active member of the Nomination and Compensation Committee established as a discretionary advisory body to the Board of Directors.
Outside Director Audit and Supervisory Committee Member	Akio Fuwa	Having attended all 16 Board of Directors meetings and all 13 Audit and Supervisory Committee meetings held in the business year under review, Akio Fuwa appropriately fulfills expected roles and perform business decision-making and supervision of business execution from an independent standpoint as an Outside Director based on his knowledge which he has cultivated through working as an expert mainly in the field of metallic materials research and many years of experience as a university professor.

#### 4. Accounting Auditor

##### (1) Name of Accounting Auditor (Independent Auditor)

Deloitte Touche Tohmatsu LLC

##### (2) Amount of compensation, etc.

Contents of compensation, etc.	Amount paid
	millions of yen
(1) Total amount of compensation and other payments for the business year under review	86
(2) Total amount of monies and other property benefits payable by the Company and its subsidiaries to the Accounting Auditors (including (1) above)	144

- (Notes)
1. In the audit contract between the Company and the Accounting Auditor, it is not possible to make a reasonable differentiation between audit compensation based on the Companies Act and that based on the Financial Instruments and Exchange Act. Therefore, the aggregate amount is shown in the figure (1) above.
  2. Upon obtaining necessary documents and receiving reports from Directors, related departments of the Company, and Accounting Auditors, the Audit and Supervisory Committee consented to the amount of compensation, etc., for the Accounting Auditors, pursuant to Article 399, Paragraph 1 of the Companies Act after verifying and examining the contents of the audit plan, the status of implementation of duties, and the basis for calculation of estimated compensation, etc. submitted by the Accounting Auditors, and consequently determining that they were all reasonable.
  3. SUMCO Phoenix Corporation and FORMOSA SUMCO TECHNOLOGY CORPORATION, major subsidiaries of the Company, are audited by Accounting Auditors other than that of the Company.

##### (3) Details of non-audit services

The Company pays compensation to the Accounting Auditor for the preparation of a comfort letter, etc. in connection with the issuance of new shares through public offering, which is a service other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit service).

##### (4) Policy for making decisions regarding the dismissal or non-reappointment of Accounting Auditors

When the Accounting Auditor falls under any of the items stipulated in Article 340, Paragraph 1 of the Companies Act, the Audit and Supervisory Committee shall dismiss the Accounting Auditor based on the consent of all Audit and Supervisory Committee Members. In this case, the Audit and Supervisory Committee Member selected by the Audit and Supervisory Committee shall report the dismissal of the Accounting Auditor and the reason for the dismissal at the first General Meeting of Shareholders to be held after the dismissal. The Audit and Supervisory Committee shall decide the content of a proposal for dismissal or non-reappointment of the Accounting Auditor, which is to be submitted to a General Meeting of Shareholders, when it recognizes necessity for doing so, including a case in which performance of duties by the Accounting Auditor is hindered.

#### 5. Policy on Determination of Dividends from Surplus, etc.

The Articles of Incorporation of the Company stipulate that except as otherwise provided by laws and regulations, the Company may determine, by a resolution of the Board of Directors, the matters stipulated in each Item of Article 459, Paragraph 1 of the Companies Act including dividends from surplus and acquisition of the Company's own shares, etc. The Company considers that returning appropriate profits to its shareholders is an important management priority. As for dividends and repurchase of treasury stock, the Company intends to provide returns to its shareholders flexibly and proactively, with due consideration to the level of profit, the outlook for subsequent business years, fund requirements for capital investment, etc., the status of internal reserves, and other factors in each business year under review.

In line with the above policy, the year-end dividend was determined to be 24 yen per share by a resolution of the Board of Directors held on February 21, 2022. As a result, the annual payment of dividends for the business year under review totaled 41 yen per share, combined with the interim dividend of 17 yen per share.

## Consolidated Balance Sheet

(As of December 31, 2021)

(Millions of yen)

Category	Amount	Category	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>482,108</b>	<b>Current liabilities</b>	<b>103,793</b>
Cash and time deposits	218,173	Notes and accounts payable – trade	30,743
Notes and accounts receivable – trade	75,590	Short-term borrowings	32,534
Marketable securities	6,500	Current portion of long-term lease obligations	82
Finished products	18,038	Accrued income taxes	5,244
Work in process	21,768	Reserve for bonuses	2,741
Raw materials and supplies	134,987	Notes and accounts payable – construction	17,451
Other	7,060	Other	14,997
Allowance for doubtful accounts	(11)		
<b>Non-current assets</b>	<b>282,712</b>	<b>Long-term liabilities</b>	<b>138,184</b>
<b>Property, plant and equipment</b>	<b>226,502</b>	Long-term debt	108,349
Buildings and structures	68,789	Long-term lease obligations	101
Machinery, equipment and vehicles	97,710	Deferred income tax liabilities	3,248
Land	20,185	Deferred income tax liabilities on revaluation reserve for land	1,342
Construction in progress	37,399	Net defined benefit liability	24,228
Other	2,416	Other	914
<b>Intangible assets</b>	<b>8,655</b>	<b>Total liabilities</b>	<b>241,978</b>
Goodwill	471	<b>(Equity)</b>	
Software	7,004	<b>Shareholders' equity</b>	<b>469,370</b>
Other	1,178	<b>Capital stock</b>	<b>199,034</b>
<b>Investments and other assets</b>	<b>47,555</b>	<b>Capital surplus</b>	<b>85,285</b>
Investment securities	88	<b>Retained earnings</b>	<b>185,069</b>
Long-term advance payments	31,082	<b>Treasury stock</b>	<b>(19)</b>
Long-term prepaid expenses	2,638	<b>Accumulated other comprehensive income</b>	<b>6,778</b>
Deferred income tax assets	12,500	<b>Net unrealized gain on available-for-sale securities</b>	<b>0</b>
Retirement benefit asset	612	<b>Deferred loss on derivatives under hedge accounting</b>	<b>(1)</b>
Other	884	<b>Land revaluation surplus</b>	<b>2,885</b>
Allowance for doubtful accounts	(252)	<b>Foreign currency translation adjustments</b>	<b>4,941</b>
		<b>Remeasurements of defined benefit plans</b>	<b>(1,048)</b>
		<b>Non-controlling interests</b>	<b>46,694</b>
		<b>Total equity</b>	<b>522,842</b>
<b>Total assets</b>	<b>764,821</b>	<b>Total liabilities and equity</b>	<b>764,821</b>

## Consolidated Statement of Income

(From January 1, 2021 to December 31, 2021)

(Millions of yen)

Category	Amount	
<b>Net sales</b>		<b>335,674</b>
<b>Cost of sales</b>		<b>255,555</b>
<b>Gross profit</b>		<b>80,119</b>
<b>Selling, general and administrative expenses</b>		<b>28,576</b>
<b>Operating income</b>		<b>51,543</b>
<b>Non-operating income</b>		
Interest and dividend income	163	
Subsidy income	2,560	
Other	108	2,832
<b>Non-operating expenses</b>		
Interest expense	857	
Loss on sales and retirement of non-current assets	915	
Share issuance costs	814	
Foreign exchange loss	455	
Other	225	3,268
<b>Ordinary income</b>		<b>51,107</b>
<b>Income before income taxes</b>		<b>51,107</b>
Income taxes – current	7,578	
Income taxes – deferred	(894)	6,684
<b>Net income</b>		<b>44,423</b>
Net income attributable to non-controlling interests		3,302
<b>Net income attributable to owners of the Parent</b>		<b>41,120</b>

## Non-consolidated Balance Sheet

(As of December 31, 2021)

(Millions of yen)

Category	Amount	Category	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>416,642</b>	<b>Current liabilities</b>	<b>133,483</b>
Cash and time deposits	171,828	Accounts payable – trade	45,912
Accounts receivable – trade	72,600	Short-term borrowings	63,329
Marketable securities	6,500	Current portion of long-term lease obligations	7
Finished products	9,867	Accrued liabilities	6,834
Work in process	14,557	Accrued expenses	150
Raw materials and supplies	112,530	Accrued income taxes	2,373
Advance payments	2,428	Accounts payable – construction	12,496
Prepaid expenses	652	Other	2,377
Short-term loans	19,226		
Accounts receivable – other	4,303		
Other	2,149		
Allowance for doubtful accounts	(2)	<b>Long-term liabilities</b>	<b>122,848</b>
<b>Non-current assets</b>	<b>262,838</b>	Long-term debt	108,349
<b>Property, plant and equipment</b>	<b>163,037</b>	Long-term lease obligations	10
Buildings	49,897	Deferred income tax liabilities on revaluation reserve for land	1,342
Structures	2,011	Liability for retirement benefits	12,493
Machinery	66,856	Asset retirement obligations	465
Motor vehicles and transport equipment	128	Other	187
Tools, appliances and furniture	644		
Land	15,169	<b>Total liabilities</b>	<b>256,332</b>
Lease assets	16		
Construction in progress	28,313	<b>(Equity)</b>	
<b>Intangible assets</b>	<b>6,667</b>	<b>Shareholders' equity</b>	<b>420,263</b>
Software	5,930	<b>Capital stock</b>	<b>199,034</b>
Other	737	<b>Capital surplus</b>	<b>77,906</b>
<b>Investments and other assets</b>	<b>93,133</b>	Capital reserve	63,927
Investment securities	3	Others	13,979
Stocks of subsidiaries and affiliates	27,063	<b>Retained earnings</b>	<b>143,341</b>
Investments in subsidiaries and affiliates	55	Retained earnings reserve	6,333
Long-term loans receivable from subsidiaries and affiliates	25,995	Other retained earnings	137,008
Long-term loans receivable	31,082	Retained earnings carried forward	137,008
Long-term advance payments	1,749	<b>Treasury stock</b>	<b>(19)</b>
Prepaid pension cost	696	<b>Variance of valuation/translation, etc.</b>	<b>2,884</b>
Deferred income tax assets	5,928	<b>Deferred loss on derivatives under hedge accounting</b>	<b>(1)</b>
Other	687	<b>Land revaluation surplus</b>	<b>2,885</b>
Allowance for doubtful accounts	(127)		
<b>Total assets</b>	<b>679,481</b>	<b>Total equity</b>	<b>423,148</b>
		<b>Total liabilities and equity</b>	<b>679,481</b>



## Non-consolidated Statement of Income

(From January 1, 2021 to December 31, 2021)

(Millions of yen)

Category	Amount	
<b>Net sales</b>		<b>284,182</b>
<b>Cost of sales</b>		<b>236,552</b>
<b>Gross profit</b>		<b>47,629</b>
<b>Selling, general and administrative expenses</b>		<b>20,165</b>
<b>Operating income</b>		<b>27,463</b>
<b>Non-operating income</b>		
Interest income	267	
Dividend income	12,655	
Subsidy income	2,551	
Other	1,442	16,915
<b>Non-operating expenses</b>		
Interest expense	889	
Share issuance costs	814	
Loss on sales and retirement of non-current assets	736	
Other	191	2,631
<b>Ordinary income</b>		<b>41,747</b>
<b>Income before income taxes</b>		<b>41,747</b>
Income taxes – current	3,759	
Income taxes – deferred	(2,484)	1,275
<b>Net income</b>		<b>40,471</b>

## Accounting audit report on Consolidated Financial Statements

### Independent Auditors' Report

February 14, 2022

SUMCO CORPORATION  
The Board of Directors

### Deloitte Touche Tohmatsu LLC

#### Tokyo Office

Designated Limited  
Liability Partner and  
Engagement Partner

Certified Public Accountant Masato Shoji

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Designated Limited  
Liability Partner and  
Engagement Partner

Certified Public Accountant Takeshi Sase

### **Opinion**

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net equity and the notes to the consolidated financial statements of SUMCO CORPORATION (the "Company") for the consolidated fiscal year from January 1, 2021 through December 31, 2021.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Company and its consolidated subsidiaries for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

### **Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and

fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to the Audit and Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit and Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

**Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

**Accounting audit report on Non-consolidated Financial Statements**

**Independent Auditors' Report**

February 14, 2022

SUMCO CORPORATION

The Board of Directors

**Deloitte Touche Tohmatsu LLC**

Tokyo Office

Designated Limited  
Liability Partner and Certified Public Accountant Masato Shoji  
Engagement Partner

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Designated Limited  
Liability Partner and Certified Public Accountant Takeshi Sase  
Engagement Partner

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**Opinion**

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in equity and the related notes, and the accompanying supplementary schedules of SUMCO CORPORATION (the "Company") for the 23rd business year from January 1, 2021 through December 31, 2021.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

**Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

**Responsibilities of Management and the Audit and Supervisory Committee for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to

enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events

on which they are based.

The auditor reports to the Audit and Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit and Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

**Interest**

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

<Audit report of Audit and Supervisory Committee>

**AUDIT REPORT**

Regarding the execution of duties by Directors for the 23rd business year from January 1, 2021 to December 31, 2021, the Audit and Supervisory Committee conducted the Audit and hereby submits its audit report on the methods and results.

**1. Auditing Methods and Details of Such Methods**

While the Audit and Supervisory Committee periodically received reports from Directors, employees and other relevant personnel, sought explanations as necessary, and expressed its opinions regarding the contents of resolutions by the Board of Directors concerning matters stipulated in Article 399-13, Paragraph 1, Item 1(b) and (c) of the Companies Act as well as the status of the building and management of the system developed pursuant to such resolutions (internal control system), it conducted an audit by following the methods described below:

- I. Pursuant to auditing policies and duties determined by the Audit and Supervisory Committee, utilizing methods via the Internet, etc. and in coordination with the internal auditing department of the Company, we participated in important meetings, received reports from Directors, employees, and other relevant personnel regarding matters relating to their duties, sought explanations as necessary, examined important authorized documents and associated information, and studied the operations and financial positions of the head office and principal offices. With respect to subsidiaries, we communicated and exchanged information with Directors, Corporate Auditors, and other relevant personnel of the subsidiaries, and received business reports from the subsidiaries as necessary.
- II. We monitored and verified whether the Accounting Auditors maintained their independence and implemented appropriate audits, and we received reports from the Accounting Auditors regarding the performance of their duties and sought explanations as necessary. In addition, we received notice from the Accounting Auditors that “the system for ensuring that duties are performed properly” (matters set forth in each Item of Article 131 of the Corporate Accounting Rules) is organized in accordance with the “product quality management standards regarding audits” (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the business report and its supporting schedules, Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statement of Changes in Equity, Notes to Non-consolidated Financial Statements) and their supporting schedules, as well as the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements) related to the relevant business year.



## **2. Audit Results**

### **(1) Results of Audit of Business Report and Other Relevant Documents**

- I. In our opinion, the business report and its supporting schedules are in accordance with the related laws and regulations and the Articles of Incorporation, and fairly represent the Company's condition.
- II. With regard to the performance of duties by Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with respect to the Articles of Incorporation.
- III. In our opinion, resolutions of the Board of Directors for the internal control system are fair and reasonable. Moreover, we have found no matters that need to be raised regarding items in the internal control system section of the business report or the performance of duties by Directors.

### **(2) Results of Audit of Non-consolidated Financial Statements and their supporting schedules**

In our opinion, the methods and results employed and rendered by the Accounting Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

### **(3) Results of Audit of Consolidated Financial Statements**

In our opinion, the methods and results employed and rendered by the Accounting Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

February 14, 2022

#### Audit and Supervisory Committee, SUMCO CORPORATION

Full-time Audit and Supervisory Committee Member	Fumio Inoue	(Seal)
Audit and Supervisory Committee Member	Hitoshi Tanaka	(Seal)
Audit and Supervisory Committee Member	Masahiro Mitomi	(Seal)
Audit and Supervisory Committee Member	Shinichiro Ota	(Seal)
Audit and Supervisory Committee Member	Akio Fuwa	(Seal)

(Note) Audit and Supervisory Committee Members Hitoshi Tanaka, Masahiro Mitomi, Shinichiro Ota and Akio Fuwa are Outside Directors stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.