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Securities Code: 2734

January 30, 2023

To our shareholders:

Goro Kamino
President and Representative Director,
Group Representative and CEO
SALA Corporation
Sala Tower, 1-55, Ekimae-odori,
Toyohashi-shi, Aichi

Notice of the 21st Annual General Meeting of Shareholders

We are pleased to announce the 21st Annual General Meeting of Shareholders of SALA Corporation (the “Company”), which will be held as indicated below.

Instead of attendance to the meeting, you may exercise your voting rights prior to the meeting in writing or by using the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Thursday, February 16, 2023 (JST).

[Exercise of voting rights in writing]

Please indicate your approval or disapproval of the proposal on the enclosed voting form and then return the form by postal mail so that your vote is received by the aforementioned deadline.

[Exercise of voting rights via the internet, etc.]

Please access the website for the exercise of voting rights designated by the Company (<https://www.web54.net>), enter the “voting code” and “password” printed on the enclosed voting form, and indicate your approval or disapproval for the proposal according to the instructions on the screen no later than the deadline indicated above.

Please review the “Instructions for the Exercise of Voting Rights via the Internet, Etc.” (Japanese only) to exercise your voting rights via the internet, etc.

If you exercise your voting rights in duplicate both in writing and via the internet, the voting rights exercised via the internet shall be deemed valid.

If you exercise your voting rights multiple times via the internet, or more than once using a smartphone, only the last exercise of voting rights shall be deemed valid.

- 1. Date and Time:** Friday, February 17, 2023, at 10:00 a.m. (The reception desk will open at 9:00 a.m.)
- 2. Venue:** THE GRACE, 5F, Hotel Arc Riche Toyohashi
1-55, Ekimae-odori, Toyohashi-shi, Aichi

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 21st fiscal year (from December 1, 2021, to November 30, 2022), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 21st fiscal year (from December 1, 2021, to November 30, 2022)

Matters to be resolved:

Proposal No. 1: Partial Amendments to the Articles of Incorporation

Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

4. Instructions for the Exercise of Voting Rights

Please refer to the “Instructions for the Exercise of Voting Rights” and “Instruction for Exercise of Voting Rights via the Internet, Etc.” (both Japanese only).

- Please refer to the attached document for measures to prevent the spread of COVID-19 (Japanese only).
- If you attend the meeting in person, you are kindly requested to submit the enclosed voting form at the reception desk.
- Any changes in the Reference Documents for General Meeting of Shareholders and the Business Report, the Non-consolidated Financial Statements, and the Consolidated Financial Statements will be posted on the Company’s website.
- To ensure that information is furnished in a timely manner, the content of this notice was disclosed on the Company’s website before it was sent out.

Live streaming of the General Meeting of Shareholders (Japanese only)

- The General Meeting of Shareholders will be streamed live on the Company’s website over the internet. Please access the “General Meeting of Shareholders” page to watch. If, for some reason, the live streaming is not available, we will announce it on the same page.

The Company’s website (<https://www.sala.jp/ja/ir/stock/meeting.html>)

Reference Documents for General Meeting of Shareholders

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reasons for proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) was enforced on September 1, 2022 and the system for providing informational materials for the general meeting of shareholders in electronic format was introduced, the Company make the following changes to the Articles of Incorporation in preparation for the application of the system from the 22nd Annual General Meeting of Shareholders scheduled in February 2024.

- (1) Article 15 (Measures, etc. for Providing Information in Electronic Format), paragraph (1) in “Proposed amendments” is newly established in accordance with that companies are obligated to stipulate in their articles of incorporation that they will take measures for providing information that constitutes the content of the Reference Documents for General Meeting of Shareholders, etc. in electronic format
- (2) Article 15 (Measures, etc. for Providing Information in Electronic Format), paragraph (2) in “Proposed amendments” is newly established to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents to the extent specified by a cabinet order among items for which the Company shall take measures for providing information that constitutes the content of the Reference Documents for General Meeting of Shareholders, etc. in electronic format.
- (3) Article 15 of the current Articles of Incorporation (Internet Disclosure and Deemed Provision of the Reference Documents for General Meeting of Shareholders, Etc.) will no longer be required and is deleted in accordance with the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
- (4) Accompanying the effectiveness of the aforementioned provisions to be deleted, supplementary provisions will be established. These supplementary provisions shall be deleted after the expiration of the due date.

2. Details of amendments

The details of the amendments are as follows.

(Amendments underlined)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 15. (Internet Disclosure and Deemed Provision of the Reference Documents for General Meeting of Shareholders, Etc.)</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the Reference Documents for General Meeting of Shareholders, Business Report, the Non-consolidated Financial Statements, and the Consolidated Financial Statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)</p>	<p>(Deleted)</p> <p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u> (1) <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of the Reference Documents for General Meeting of Shareholders, etc. in electronic format.</u></p>

Current Articles of Incorporation	Proposed amendments
	<p>(2) <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>
<p>(Supplementary Provisions) (Transitional Measures Concerning Exemption of Audit & Supervisory Board Members From Liability) Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a former Audit & Supervisory Board Member) from his/her liability for damages arising from neglecting his/her duties before the effective date of the partial amendments to the Articles of Incorporation resolved at the 18th Annual General Meeting of Shareholders to the extent permitted by laws and regulations.</p> <p style="text-align: center;">(Newly established)</p>	<p>(Supplementary Provisions) <u>Article 1.</u> (Transitional Measures Concerning Exemption of Audit & Supervisory Board Members From Liability) Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a former Audit & Supervisory Board Member) from his/her liability for damages arising from neglecting his/her duties before the effective date of the partial amendments to the Articles of Incorporation resolved at the 18th Annual General Meeting of Shareholders to the extent permitted by laws and regulations.</p> <p><u>Article 2.</u> (Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</p> <p>(1) <u>Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of the Reference Documents for General Meeting of Shareholders, Etc.) shall remain effective regarding the general meeting of shareholders held on a date within six months from September 1, 2022.</u></p> <p>(2) <u>The stipulations of this Article shall be deleted on the date when six months have elapsed from September 1, 2022, or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

(Reference)

The Company is currently still reviewing the specific content of paper-based documents that will be sent to shareholders after the adoption of the system for providing informational materials for the general meeting of shareholders in electronic format.

Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting.

In that regard, the Company proposes the election of seven Directors (excluding Directors who are Audit and Supervisory Committee Members), lowering the number of Directors by one to enable strategic, quicker and more flexible decision making at the Board of Directors.

As for this proposal, the Audit and Supervisory Committee has judged that all the candidates are qualified. The candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name	Position	Responsibility			
1	Goro Kamino	President and Representative Director, Group Representative and CEO		Reelection		
2	Kazuhiko Matsui	Executive and Representative Director	Assistant to President	Reelection		
3	Takahisa Kurebayashi	Director	Executive Officer, Leader of Engineering & Maintenance Segment	Reelection		
4	Takayuki Watarai	Director	General Manager of Management Strategy Division and General Manager of Innovation Promotion Department	Reelection		
5	Yoshio Ichiryu	Director		Reelection	Outside	Independent
6	Kazutaka Okubo	Director		Reelection	Outside	Independent
7	Keitaro Suzuki			New election		

Reelection candidate for Director to be reelected

New election

candidate for Director to be newly elected

Outside candidate for outside Director

Independent

independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p style="text-align: center;">Goro Kamino (August 29, 1960)</p> <p style="text-align: center;">Reelection</p>	<p>Aug. 2000 President and Representative Director of GASTEC SERVICE, INC (currently SALA ENERGY CO., LTD.)</p> <p>May 2002 President and Representative Director of the Company</p> <p>June 2002 Director of Chubu Engineering Corporation (current position)</p> <p>Mar. 2006 Representative Director of CHUBU GAS CO., LTD. (currently SALA ENERGY CO., LTD.)</p> <p>Feb. 2007 Chairman and Representative Director of SALA CARS JAPAN Co., Ltd. (current position)</p> <p>Mar. 2012 President and Representative Director of CHUBU GAS CO., LTD. (currently SALA ENERGY CO., LTD.)</p> <p>Feb. 2018 Chairman and Representative Director (current position)</p> <p>Feb. 2020 President and Representative Director, Group Representative and CEO of the Company (current position)</p> <p>Feb. 2021 Chairman and Director of SALA HOUSE CO., LTD. (current position)</p> <p>[Significant concurrent positions outside the Company] Outside Director of Musashi Seimitsu Industry Co., Ltd.</p> <p>[Reasons for nomination as candidate for Director] Mr. Kamino has been engaging in management at the Company and Group companies over many years, and began assuming a managerial role as the President and Representative Director upon establishment of the Company in May 2002. The Company has nominated him as a candidate for reelection as Director in anticipation that he will demonstrate his outstanding managerial talent given his abundant experience and adequate achievements.</p>	<p style="text-align: center;">1,381,987 shares</p>

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Kazuhiko Matsui (March 28, 1955) Reelection	<p>Apr. 2004 Managing Director of CHUBU GAS CO., LTD. (currently SALA ENERGY CO., LTD.)</p> <p>Feb. 2010 Managing Director, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department, and General Manager of General Planning Department of the Company</p> <p>Mar. 2010 Director of CHUBU GAS CO., LTD. (currently SALA ENERGY CO., LTD.) (current position)</p> <p>Dec. 2011 Managing Director, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department of the Company</p> <p>Feb. 2012 Executive and Representative Director, Assistant to President, in charge of General Planning Department, General Affairs Department and Human Resources Strategy Department</p> <p>Dec. 2012 Executive and Representative Director, Assistant to President (current position)</p> <p>[Reasons for nomination as candidate for Director] Mr. Matsui has been engaging in management at the Company and Group companies over many years, and began serving as the Company's Executive and Representative Director in February 2012. The Company has nominated him as a candidate for reelection as Director in anticipation that he will appropriately make managerial decisions given his abundant experience and knowledge primarily in planning and administrative operations.</p>	36,281 shares
3	Takahisa Kurebayashi (March 16, 1957) Reelection	<p>Feb. 2017 Senior Managing Director, in charge of Administration Division, Infrastructure Environment Department and Information Communication Department, and in charge of Hamamatsu District of Chubu Engineering Corporation</p> <p>Feb. 2018 President and Representative Director (current position)</p> <p>Feb. 2019 Director, Executive Officer, Leader of Engineering & Maintenance Segment of the Company (current position)</p> <p>[Reasons for nomination as candidate for Director] Mr. Kurebayashi has abundant experience and achievements having been engaged in management of business involving construction, installation and civil engineering at Group companies. The Company has nominated him as a candidate for reelection as Director in anticipation that he will manage the Company drawing on his substantial insight and managerial talent amassed through such experience.</p>	13,900 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Takayuki Watarai (December 12, 1972) Reelection	<p>Apr. 1995 Joined GASTEC SERVICE, INC (currently SALA ENERGY CO., LTD.)</p> <p>Feb. 2018 Executive Officer, General Manager of Management Planning Department of E&S Head Office</p> <p>Feb. 2021 Director, in charge of planning operations and General Manager of Management Planning Department of SALA ENERGY CO., LTD.</p> <p>Dec. 2021 Director, Supervisor of Business Process Reform Project (current position)</p> <p>Dec. 2021 Administrative Officer, General Manager of Management Strategy Division, and General Manager of Business Planning Department of the Company</p> <p>Feb. 2022 Director, General Manager of Management Strategy Division, and General Manager of Business Planning Department</p> <p>Dec. 2022 Director, General Manager of Management Strategy Division, and General Manager of Innovation Promotion Department (current position)</p>	13,117 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Watarai has abundant experience and knowledge having been engaged in overall management planning in the LP gas business and other operations of Group companies. The Company has nominated him as a candidate for reelection as Director in anticipation that he will manage the Company drawing on his substantial insight amassed through such experience.</p>			
5	Yoshio Ichiryu (January 3, 1946) Reelection Outside Independent	<p>July 2000 President of Ichiryu Associates, Inc. (current position)</p> <p>Feb. 2003 Outside Audit & Supervisory Board Member of the Company</p> <p>Feb. 2006 Outside Director (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>President of Ichiryu Associates, Inc.</p> <p>Outside Director of SHIMA SEIKI MFG., LTD.</p>	57,200 shares
<p>[Reasons for nomination as candidate for outside Director and outline of expected roles]</p> <p>The Company has nominated Mr. Ichiryu as a candidate for reelection as outside Director in anticipation that he will supervise, give advice, etc. regarding management by drawing on his substantial insight across all operations, and because he has played an appropriate role in ensuring the validity and appropriateness of management decisions by proactively giving advice and making proposals at meetings of the Board of Directors. Furthermore, if he is elected, the Company plans for him to participate in the selection of candidates for Director of the Company and the decision of the remuneration amount, etc. for Directors in an objective and neutral position as a member of the Nomination and Remuneration Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	<p>Kazutaka Okubo (March 22, 1973)</p> <p>Reelection Outside Independent</p>	<p>Feb. 2005 Managing Director of ShinNihon Integrity Assurance Inc. (currently Ernst & Young ShinNihon Sustainability Co., Ltd.)</p> <p>July 2012 Senior Partner of Ernst & Young ShinNihon LLC</p> <p>Feb. 2016 Senior Managing Director and General Manager of ERM Department</p> <p>June 2019 President and Representative Director of Okubo Associates Inc. (current position)</p> <p>Feb. 2020 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>President and Representative Director of Okubo Associates Inc.</p> <p>President and Representative Director of SS Dnaform Co., Ltd.</p> <p>External Audit & Supervisory Board Member of SEGA SAMMY HOLDINGS INC.</p> <p>Outside Director of Sun Frontier Fudousan Co., Ltd.</p> <p>Outside Audit & Supervisory Board Member of BrainPad Inc.</p> <p>Outside Director of LIFULL Co., Ltd.</p> <p>Outside Director (Audit & Supervisory Committee Member) of Musashi Seimitsu Industry Co., Ltd.</p> <p>[Reasons for nomination as candidate for outside Director and outline of expected roles]</p> <p>In addition to his knowledge of governance and finance based on his audit experience at a major audit firm, Mr. Okubo has extensive knowledge and experience in the fields of compliance and CSR. The Company has nominated him as a candidate for reelection as outside Director in anticipation that he will supervise, give advice, etc. regarding management by drawing on his abundant insight, and because he has played an appropriate role in ensuring the validity and appropriateness of management decisions by proactively giving advice and making proposals at meetings of the Board of Directors. Furthermore, if he is elected, the Company plans for him to participate in the selection of candidates for Director of the Company and the decision of the remuneration amount, etc. for Directors in an objective and neutral position as a member of the Nomination and Remuneration Committee.</p>	2,300 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Keitaro Suzuki (October 12, 1964) New election	<p>Apr. 1988 Joined CHUBU GAS CO., LTD. (currently SALA ENERGY CO., LTD.)</p> <p>Mar. 2012 Director, Managing Director of Hamamatsu Region, and General Manager of Hamamatsu Branch, and General Manager of Iwata Sales Office</p> <p>Mar. 2015 Managing Director, in charge of planning and administrative operations, and General Manager of Corporate Management Department, and Managing Director of Hamamatsu Region</p> <p>Feb. 2018 Managing Director, in charge of planning operations of E&S Head Office of GASTEC SERVICE, INC (currently SALA ENERGY CO., LTD.)</p> <p>Dec. 2019 Managing Director, in charge of promotion of SALA in Life of SALA ENERGY CO., LTD.</p> <p>Feb. 2022 Senior Managing Director, Assistant to President, and Supervisor of Sales (current position)</p> <p>Feb. 2023 President and Representative Director (scheduled to assume the position)</p>	44,430 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Suzuki has abundant experience and achievements having been engaged in management in the city gas business and other operations of Group companies. The Company has nominated him as a candidate for a new election as Director in anticipation that he will manage the Company drawing on his substantial insight and managerial talent amassed through such experience.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Yoshio Ichiryu and Kazutaka Okubo are candidates for outside Director. The Company appointed Mr. Ichiryu and Mr. Okubo as independent officers as provided for by the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange and has notified each of the Exchanges of their appointment. If their reelection is approved, the Company plans for their appointment as independent officers to continue.
 - Matters regarding the candidates for outside Director are as follows:
 - The number of years served as outside Director since the candidates for outside Director assumed the office:

Yoshio Ichiryu is currently an outside Director of the Company and at the conclusion of this meeting, his tenure as outside Director will be 17 years.

Kazutaka Okubo is currently an outside Director of the Company and at the conclusion of this meeting, his tenure as outside Director will be three years.
 - Summary of details of limited liability agreement with outside Directors:

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Yoshio Ichiryu and Kazutaka Okubo to limit the liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph (1) of the same Act.

If their reelection is approved, the Company plans to continue the said limited liability agreement with them.
 - Summary of details of directors and officers liability insurance policy:

The Company has entered into a directors and officers liability insurance (“D&O insurance”) policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses incurred by all officers (Directors, Audit & Supervisory Board Members and Executive Officers) of the Group companies in cases where they assume liability pertaining to their performance of duties or receive claims pertaining to the pursuit of such liability (unless a coverage exclusion in the insurance policy is applied). Candidates currently serving as Director are included as the insureds in the D&O insurance. If each candidate is elected and assumes office, the Company plans to include every such person as an insured in the D&O insurance. The full amount of the insurance premiums for D&O insurance is borne by the Company. The term of the current D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

(Reference 1) Criteria for Independence of Outside Officers

The Company deems that a candidate for outside Director is independent when none of the following conditions apply:

1. A principal executive (Note 1) of the Company or its subsidiaries (the “Group”)
2. An entity for which the Group is a major business partner (Note 2) or a principal executive thereof
3. A major business partner of the Group (Note 3) or a principal executive thereof
4. A major shareholder of the Company (Note 4) or a principal executive thereof
5. Financial Auditor or a member or other employee of an audit firm of the Group
6. A consultant, legal expert or accounting expert who receives a large amount of monetary consideration (Note 5) or other assets other than officer remuneration from the Group
7. An entity that receives a large amount of donation (Note 6) from the Group or a principal executive thereof
8. A spouse or relative within the second degree of kinship of the person described in 1. through 7. above
9. Notwithstanding the provisions of each preceding item, a person who is considered to have a special reason that may cause a conflict of interest with the Company

Notes:

- 1: “Principal executive” refers to an executive director, an executive officer or an important employee whose position is ranked at the level of general manager or above.
- 2: “Entity for which the Group is a major business partner” refers to an entity that has received the payment of 2% or more of its consolidated net sales from the Group in the most recent fiscal year.
- 3: “Major business partner of the Group” refers to an entity that has paid the Group 2% or more of its consolidated net sales in the most recent fiscal year.
- 4: “Major shareholder” refers to a shareholder who holds 10% or more of the total number of voting rights of the Company directly or indirectly.
- 5: “A large amount of monetary consideration” refers to the amounts of ¥10 million or more a year, while for an organization, over 2% of the annual revenues, on average for the past three fiscal years.
- 6: “A large amount of donation” refers to amounts of over ¥10 million a year on average for the past three fiscal years.

(Reference 2) Skills Matrix of Directors of the Company

In order to realize the SALA Group's 2030 Vision, the Company has set areas of particular importance for the Company's Board of Directors in the table below, and nominates personnel who have knowledge in each area as candidates for Director. The management structure after the Annual General Meeting of Shareholders will be as shown in the table below. The skills matrix shows only three areas in which the Company expects expertise and the demonstration of experience of each Director and does not represent all of the knowledge and experience of each Director.

Name	Areas in which the Company expects expertise and the demonstration of experience						
	Corporate Management	Sales/Marketing	Finance/Accounting	Personnel/Labor	Legal Affairs/Compliance/Risk Management	IT/DX	ESG/Sustainability
Goro Kamino President and Representative Director, Group Representative and CEO	●	●				●	
Kazuhiko Matsui Representative Director	●			●	●		
Takayuki Watarai Managing Director		●				●	●
Takahisa Kurebayashi Director	●	●				●	
Keitaro Suzuki Director	●	●	●				
Yoshio Ichiryu Outside Director		●		●			●
Kazutaka Okubo Outside Director			●		●	●	
Shigeto Sawai Director (Full-Time Audit and Supervisory Committee Member)	●		●	●			
Naomi Muramatsu Outside Director (Audit and Supervisory Committee Member)				●	●		●
Tetsuo Agata Outside Director (Audit and Supervisory Committee Member)	●	●					●