

(Securities code: 4203)

SUMITOMO BAKELITE CO., LTD.  
5-8, Higashi-Shinagawa 2-chome,  
Shinagawa-ku, Tokyo, Japan

May 31, 2023

## NOTICE OF THE 132ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby inform you of the 132nd Ordinary General Meeting of Shareholders (“Meeting”) to be held at the time and location set forth below.

In convening this Meeting, we have taken measures for electronic provision of information that constitutes the Reference Documents for the Shareholders’ Meeting (“Matters for Electronic Provision”) and have posted such information as the “NOTICE OF THE 132ND ORDINARY GENERAL MEETING OF SHAREHOLDERS” on the Company’s website on the Internet. Therefore, shareholders are asked to review the materials by accessing the Company’s website indicated below.

- The Company’s website  
<https://www.sumibe.co.jp/english/ir/shareholder/index.html>

In addition to the above website, the Matters for Electronic Provision have also been posted on the Tokyo Stock Exchange (TSE) website. Shareholders are, therefore, asked to access the TSE website (Listed Company Search) indicated below, enter and search the “Issue name (company name)” (SUMITOMO BAKELITE CO., LTD.) or “Code” (4203), select “Basic information” and “Documents for public inspection / PR information,” and confirm the relevant information in “Notice of the General Meeting of Shareholders/ Materials for the General Meeting of Shareholders.”

- The Tokyo Stock Exchange website (Listed Company Search)  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

**In case you do not attend the Meeting in person, you may exercise your voting rights in advance in writing or via the Internet. Please review the “Reference for the General Meeting of Shareholders” mentioned below and exercise your voting rights in writing or via the Internet by Wednesday, June 21, 2023 at 5:40 p.m.**

Very truly yours,

Kazuhiko Fujiwara  
Representative Director, President

## Notice

- 1. Date and Time:** Thursday, June 22, 2023 at 10:00 a.m.
- 2. Location:** Conference room of the Company on the 20th floor of Tennoz Parkside Building, 5-8, Higashi-Shinagawa 2-chome, Shinagawa-ku, Tokyo, Japan

### 3. Agenda of the Meeting:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 132nd Fiscal Year (from April 1, 2022 through March 31, 2023)
  2. Results of audit on the 132nd Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors

**Matters to be resolved:**

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Nine (9) Directors
- Proposal No. 3:** Election of Four (4) Corporate Auditors
- Proposal No. 4:** Election of One (1) Substitute Corporate Auditor
- Proposal No. 5** Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Outside Directors)

● From among the Matters for Electronic Provision, the “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and the “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are not included in the paper-based documents delivered to shareholders who have requested the delivery of such documents, pursuant to the laws, regulations, and Article 15 of the Company’s Articles of Incorporation. Therefore, the Consolidated Financial Statements and the Non-consolidated Financial Statements included in the documents provided to shareholders who have requested the delivery of paper-based documents constitute a portion of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Corporate Auditors and the Accounting Auditor to prepare the Audit Reports.

● Please be forewarned that, regarding the Matters for Electronic Provision, if a situation to be corrected occurs up to the previous day before the Meeting, we will post a notice to that effect, and the matters both before and after the revision on the Company’s website and the TSE website indicated above on the Internet.

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Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## REFERENCE FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and references

#### Proposal No. 1 Appropriation of Surplus

As for the appropriation of surplus, we attempt to return to our shareholders a portion of surplus in the form of dividends in the most regular and stable manner as possible over the long term. In order to solidify our management bases for the future, we also have a policy to pay dividends according to profitability, while taking the enhancement of internal reserves into consideration. In consideration of the need to set aside funds for strategic investment and M&A toward sustainable growth, the Company proposes to pay a year-end dividend of 70 yen per share.

As a result, the annual dividend for this fiscal year will be increased by 20 yen per share from the previous fiscal year to 130 yen per share, including the interim dividend.

- (1) Class of dividend property  
Monetary payment
- (2) Matters related to the disbursement of dividend property and the total amount  
Dividends: 70 yen per common share      Total amount: 3,293,819,270 yen
- (3) Effective date of the disbursement of dividends from surplus:  
June 23, 2023

## Proposal No. 2 Election of nine (9) Directors

All of the nine (9) Directors will complete their terms of office at the conclusion of this Meeting. Accordingly, we propose that you elect the following nine (9) Directors.

The candidates for the positions are as follows:


Candidate No.	Name	Current position at the Company			
1	<b>Kazuhiko Fujiwara</b>	Representative Director President	Reappointment		
2	<b>Masayuki Inagaki</b>	Representative Director Executive Vice President	Reappointment		
3	<b>Sumitoshi Asakuma</b>	Director Executive Vice President	Reappointment		
4	<b>Takashi Kobayashi</b>	Director Senior Managing Executive Officer	Reappointment		
5	<b>Keisuke Kurachi</b>	Director Senior Managing Executive Officer	Reappointment		
6	<b>Toshiya Hirai</b>	Managing Executive Officer	New		
7	<b>Hiroyuki Abe</b>	Outside Director	Reappointment	Outside	Independent
8	<b>Kazuo Matsuda</b>	Outside Director	Reappointment	Outside	Independent
9	<b>Etsuko Nagashima</b>	Outside Director	Reappointment	Outside	Independent


(Reference)


If this proposal is approved, the correspondence between key knowledge, experiences and abilities, etc. which the Company's Board of Directors requires and the respective Directors will become as follows. This table does not cover all the knowledge, experiences or abilities, etc. required of the Company's Board of Directors. Key knowledge, experiences and abilities, etc. of the Directors are marked with ●.


(As of June 22, 2023)

Name	Position at the Company	Knowledge, experiences and abilities, etc.							
		Corporate management	Global	Sales and marketing	Manufacturing and production engineering	Research & development	Sustainability and ESG	DX and information system	Finance and accounting
Kazuhiko Fujiwara	Representative Director President	●				●	●		
Masayuki Inagaki	Representative Director Executive Vice President				●		●	●	
Sumitoshi Asakuma	Director Executive Vice President		●	●		●			
Takashi Kobayashi	Director Senior Managing Executive Officer		●	●	●				
Keisuke Kurachi	Director Senior Managing Executive Officer		●		●	●			
Toshiya Hirai	Director Managing Executive Officer						●	●	●
Hiroyuki Abe	Outside Director		●		●	●			
Kazuo Matsuda	Outside Director	●	●						●
Etsuko Nagashima	Outside Director	●					●		●


Candidate No. 1	(Name) <b>Kazuhiko Fujiwara</b>	<b>Reappointment</b>
	Date of birth	March 2, 1958
	Number of Company shares held	14,400
	Attendance at Board of Directors' meetings	14 times out of 14 meetings (100%)
	Brief personal history, position, and responsibility at the Company	
	April 1980	Entered the Company
	June 2009	Executive Officer of the Company
April 2013	Managing Executive Officer of the Company	
June 2014	Director, Managing Executive Officer of the Company	
April 2016	Director, Senior Managing Executive Officer of the Company	
June 2018	Representative Director, President of the Company (to the present)	
<p>[Reasons for selecting as a candidate for Director]</p> <p>Mr. Kazuhiko Fujiwara possesses experience and achievements in the Company's overall businesses. He has led the core management of the Company for many years as Director. Since assuming the office as Representative Director and President in June 2018, he has provided leadership and taken the initiative in the Company's business. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we once again ask for the election of Mr. Fujiwara as Director.</p>		


Candidate No. 2	(Name) <b>Masayuki Inagaki</b>	<b>Reappointment</b>
	Date of birth	July 27, 1959
	Number of Company shares held	13,700
	Attendance at Board of Directors' meetings	14 times out of 14 meetings (100%)
	Brief personal history, position, and responsibility at the Company	
	April 1982	Entered the Company
	June 2009	Executive Officer of the Company
April 2013	Managing Executive Officer of the Company	
June 2015	Director, Managing Executive Officer of the Company	
April 2017	Director, Senior Managing Executive Officer of the Company	
April 2021	Director, Executive Vice President of the Company	
June 2022	Representative Director, Executive Vice President of the Company	
<p>(Responsibility at the Company)</p> <p>Overseeing Corporate Research &amp; Development Div., Advanced Materials Research Laboratory, Bio &amp; Science Research Laboratory and Circuitry with Optical Interconnection Business Development Dept.; In charge of Corporate Production Management &amp; Engineering Div. and Corporate Engineering Center</p>		
<p>[Reasons for selecting as a candidate for Director]</p> <p>Mr. Masayuki Inagaki has considerable experience as a chief person in charge of the manufacturing and production engineering areas as well as the promotion of sustainability, and has overseen the overall corporate research &amp; development and engineering area for many years. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we once again ask for the election of Mr. Inagaki as Director.</p>		


Candidate No. 3	(Name) <b>Sumitoshi Asakuma</b>	<b>Reappointment</b>
	Date of birth	January 3, 1961
	Number of Company shares held	10,600
	Attendance at Board of Directors' meetings	14 times out of 14 meetings (100%)
	Brief personal history, position, and responsibility at the Company	
	April 1985	Entered the Company
	June 2010	Executive Officer of the Company
April 2014	Managing Executive Officer of the Company	
June 2015	Director, Managing Executive Officer of the Company	
April 2018	Director, Senior Managing Executive Officer of the Company	
April 2022	Director, Executive Vice President of the Company (to the present)	
(Responsibility at the Company) Overseeing High Performance Plastics segment		
[Reasons for selecting as a candidate for Director] Mr. Sumitoshi Asakuma has considerable experience as a chief person mainly in charge of the research & development area and the Semiconductor Materials segment, and currently oversees the High Performance Plastics segment. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we once again ask for the election of Mr. Asakuma as Director.		


Candidate No. 4	(Name) <b>Takashi Kobayashi</b>	Reappointment									
	Date of birth	February 22, 1963									
	Number of Company shares held	7,800									
	Attendance at Board of Directors' meetings	13 times out of 14 meetings (92.9%)									
	Brief personal history, position, and responsibility at the Company										
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">April 1987</td> <td>Entered the Company</td> </tr> <tr> <td>April 2013</td> <td>Executive Officer of the Company</td> </tr> <tr> <td>April 2017</td> <td>Managing Executive Officer of the Company</td> </tr> <tr> <td>June 2018</td> <td>Director, Managing Executive Officer of the Company</td> </tr> <tr> <td>April 2023</td> <td>Director, Senior Managing Executive Officer of the Company (to the present)</td> </tr> </table>	April 1987	Entered the Company	April 2013	Executive Officer of the Company	April 2017	Managing Executive Officer of the Company	June 2018	Director, Managing Executive Officer of the Company	April 2023	Director, Senior Managing Executive Officer of the Company (to the present)
April 1987	Entered the Company										
April 2013	Executive Officer of the Company										
April 2017	Managing Executive Officer of the Company										
June 2018	Director, Managing Executive Officer of the Company										
April 2023	Director, Senior Managing Executive Officer of the Company (to the present)										
(Responsibility at the Company) Overseeing Films & Sheets Research Laboratory, Films & Sheets Div., Medical Products Business Div., S-BIO Business Div., and Amagasaki Plant											
[Major concurrent position] Representative Director, President of Akita Sumitomo Bakelite Co., Ltd. Representative Director, Chairman of the Board of Directors of SB-Kawasumi Laboratories, Inc.											
[Reasons for selecting as a candidate for Director] Mr. Takashi Kobayashi possesses considerable experience, having engaged in the High Performance Plastics segment business for many years and served as a chief person in charge of the Company's business in the China region. He currently serves as a chief person in charge of the Films & Sheets business, the Medical Products business and the S-BIO business. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we once again ask for the election of Mr. Kobayashi as Director.											




Candidate No. 5	(Name) <b>Keisuke Kurachi</b>		Reappointment
	Date of birth	June 27, 1962	
	Number of Company shares held	5,800	
	Attendance at Board of Directors' meetings	11 times out of 11 meetings (100%)	
	Brief personal history, position, and responsibility at the Company		
	April 1985	Entered the Company	
April 2016	Executive Officer of the Company		
April 2018	Managing Executive Officer of the Company		
June 2022	Director, Managing Executive Officer of the Company		
April 2023	Director, Senior Managing Executive Officer of the Company (to the present)		
(Responsibility at the Company) Overseeing Semiconductor Materials segment and Smart Community Marketing & Developing Div.			
[Major concurrent position] Representative Director, President of Kyushu Sumitomo Bakelite Co., Ltd. Chairman of Sumitomo Bakelite (Taiwan) Co., Ltd.			
[Reasons for selecting as a candidate for Director] After entering the Company, Mr. Keisuke Kurachi engaged in businesses in Japan and overseas related to circuits products and electronic components materials. After that, he engaged in duties in production and research and development areas in the Semiconductor Materials segment and currently serves as a chief person in charge of this business segment, possessing considerable experience in this field. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we once again ask for the election of Mr. Kurachi as Director.			

Candidate No. 6	(Name) <b>Toshiya Hirai</b>		New
	Date of birth	February 16, 1963	
	Number of Company shares held	100	
	Brief personal history, position, and responsibility at the Company		
	April 1986	Entered Sumitomo Chemical Co., Ltd.	
	April 2018	General Manager, Basic Materials Div. of Sumitomo Chemical Co., Ltd.	
	April 2020	Seconded to SUMITOMO CHEMICAL ASIA PTE LTD	
June 2022	Retired from Sumitomo Chemical Co., Ltd.		
July 2022	Executive Officer of the Company		
April 2023	Managing Executive Officer of the Company (to the present)		
<b>(Responsibility at the Company)</b> Overseeing Corporate Planning Dept. and Sustainability Promotion Dept.; In charge of Corporate Finance & Planning Div., Information Systems & Data Processing Dept., and Global Procurement Div.			
<b>[Reasons for selecting as a candidate for Director]</b> Mr. Toshiya Hirai engaged in the Petrochemicals & Plastics Sector at Sumitomo Chemical Co., Ltd. for many years and after assuming office as an Executive Officer of the Company, he has been serving as chief person in charge of accounting and corporate planning. He is currently also serving as the chief person in charge of several administrative divisions including the Sustainability Promotion Dept., which is newly established, and the procurement division. Accordingly, based on our judgment that he will contribute to improving the Company group's corporate value with his experience and achievement, we ask for the election of Mr. Hirai as a new Director.			

Candidate No. 7	(Name)			
	<b>Hiroyuki Abe</b>	Reappointment	Outside	Independent
	Date of birth		October 9, 1936	
	Number of Company shares held		0	
	Attendance at Board of Directors' meetings		13 times out of 14 meetings (92.9%)	
	Brief personal history, position, and responsibility at the Company			
	October 1977	Professor, School of Engineering, Tohoku University		
	April 1993	Dean, Undergraduate School of Engineering/Graduate School of Engineering, Tohoku University		
	November 1996	President of Tohoku University		
November 2002	Professor Emeritus of Tohoku University (to the present)			
June 2007	Outside Corporate Auditor of the Company			
June 2015	Outside Director of the Company (to the present)			
[Reasons for selecting as a candidate for Outside Director and expected role]				
<p>Mr. Hiroyuki Abe has expertise, considerable experience and a wide range of insights as a university professor. The Company expects him to provide appropriate opinions and valuable advice from an objective standpoint by using such knowledge. He has served as a member of the Appointment and Remuneration Committee and expressed opinions from an independent standpoint. Since he has played his role in line with the expectations mentioned above, we have judged that he is qualified for the position of Outside Director of the Company and that he can appropriately perform his duties as Outside Director. We, therefore, once again ask for the election of Mr. Abe as Outside Director.</p>				

Candidate No. 8	(Name)			
	<b>Kazuo Matsuda</b>	Reappointment	Outside	Independent
	Date of birth	November 11, 1948		
	Number of Company shares held	2,400		
	Attendance at Board of Directors' meetings	14 times out of 14 meetings (100%)		
	Brief personal history, position, and responsibility at the Company			
	April 1971	Entered The Fuji Bank Limited (currently Mizuho Bank, Ltd.)		
	February 1988	First Vice President of Fuji International Finance, London (currently, Mizuho International plc)		
	October 1994	Director of Fuji Securities Co., Ltd. (currently Mizuho Securities Co., Ltd.)		
	June 1995	Managing Director of Fuji Securities Co., Ltd.		
	June 1996	Senior Managing Director of Fuji Securities Co., Ltd.		
	May 1997	General Manager of Kabutocho Branch of The Fuji Bank Limited (currently Mizuho Bank, Ltd.)		
	April 2000	Senior Managing Executive Officer of Fuji Securities Co., Ltd. (currently Mizuho Securities Co., Ltd.)		
	October 2000	Managing Executive Officer of Mizuho Securities Co., Ltd.		
	December 2002	Senior General Manager of Mizuho Securities Co., Ltd.		
May 2003	Senior General Manager of NSK Ltd.			
June 2004	Vice President of NSK Ltd.			
June 2006	Senior Vice President of NSK Ltd.			
June 2008	Executive Vice President of NSK Ltd.			
June 2009	Director, Representative Executive Vice President of NSK Ltd.			
June 2011	Special Adviser of NSK Ltd.			
June 2015	Outside Corporate Auditor of the Company			
June 2016	Outside Director of the Company (to the present)			
[Major concurrent position]				
Outside Corporate Auditor of Daido Metal Co., Ltd.				
[Reasons for selecting as a candidate for Outside Director and expected role]				
<p>Mr. Kazuo Matsuda has considerable experience and a wide range of insights that he cultivated at a financial institution as well as business companies as a management executive. The Company expects him to provide appropriate opinions and valuable advice from an objective standpoint by using such knowledge. He has served as a member of the Appointment and Remuneration Committee and expressed opinions from an independent standpoint. Since he has played his role in line with the expectations mentioned above, we have judged that he is qualified for the position of Outside Director of the Company and that he can appropriately perform his duties as Outside Director. We, therefore, once again ask for the election of Mr. Matsuda as Outside Director.</p>				

Candidate No. 9	(Name)			
	<b>Etsuko Nagashima</b>	Reappointment	Outside	Independent
	Date of birth	August 23, 1954		
	Number of Company shares held	0		
	Attendance at Board of Directors' meetings	14 times out of 14 meetings (100%)		
	Brief personal history, position, and responsibility at the Company			
	October 1978	Entered Deloitte Touche Tohmatsu LLC		
	July 1980	Entered Tsukeshiba CPA Accounting Office		
	October 1982	Certified Public Accountant registration		
June 1988	Established Nagashima CPA Accounting Office, Representative (to the present)			
April 2008	Representative Partner of Veritas audit firm			
June 2019	Outside Corporate Auditor of the Company			
June 2021	Outside Director of the Company (to the present)			
[Major concurrent position]				
Certified Public Accountant of Nagashima CPA Accounting Office Outside Director (Audit & Supervisory Committee Member) of Bull-Dog Sauce Co., Ltd.				
[Reasons for selecting as a candidate for Outside Director and expected role]				
Ms. Etsuko Nagashima has a specialist viewpoint and a wide range of insights relating to finance and accounting as a Certified Public Accountant. The Company expects her to provide appropriate opinions and valuable advice from an objective standpoint by using such knowledge. She has served as a member of the Appointment and Remuneration Committee and expressed opinions from an independent standpoint. Since she has played her role in line with the expectations mentioned above, we have judged that she is qualified for the position of Outside Director of the Company and that she can appropriately perform her duties as Outside Director. We, therefore, once again ask for the election of Ms. Nagashima as Outside Director.				

- Notes:
1. Mr. Keisuke Kurachi concurrently serves as Chairman of Sumitomo Bakelite (Taiwan) Co., Ltd., which engages in business transactions within a similar category as the Company and handles business transactions with the Company.
  2. No conflict of interests exists between the Company and the candidates other than the candidate stated in 1. above.
  3. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Hiroyuki Abe, Mr. Kazuo Matsuda, and Ms. Etsuko Nagashima to limit liability as provided for in Article 423, Paragraph 1 of the Companies Act and the maximum amount of liability shall be the amount stipulated in applicable laws and regulations.
  4. The Company has entered into a directors and officers liability insurance contract that covers the directors, corporate auditors and executive officers as the insured with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages and legal expenses the insured assumes when claims for damages are made against the insured as a result of the execution (including omission) of his or her duties as an officer of the Company. The insurance premiums are fully paid by the Company. If this proposal is approved, the candidates will be insured under the insurance contract. Further, the Company plans to renew the insurance contract with the same content at the next renewal.
  5. Mr. Hiroyuki Abe, Mr. Kazuo Matsuda, and Ms. Etsuko Nagashima are candidates for Outside Director.
  6. The term in office as Outside Director of Mr. Hiroyuki Abe will be eight (8) years upon the conclusion of this Meeting. Also, he had served as Outside Corporate Auditor of the Company for a period of eight (8) years before taking office as Outside Director of the Company.  
The term in office as Outside Director of Mr. Kazuo Matsuda will be seven (7) years upon the conclusion of this Meeting. Also, he had served as Outside Corporate Auditor of the Company for a period of one (1) year before taking office as Outside Director of the Company.  
The term in office as Outside Director of Ms. Etsuko Nagashima will be two (2) years upon the conclusion of this Meeting. Also, she had served as Outside Corporate Auditor of the Company for a period of two (2) years before taking office as Outside Director of the Company.
  7. The Company has determined Mr. Hiroyuki Abe, Mr. Kazuo Matsuda, and Ms. Etsuko Nagashima to be independent based on the “Criteria for Independence of Directors and Corporate Auditors” (page 24) stipulated by the Company. Further, Mr. Abe, Mr. Matsuda, and Ms. Nagashima are submitted to Tokyo Stock Exchange, Inc. as independent officers.

### Proposal No. 3 Election of Four (4) Corporate Auditors

All of the four (4) Corporate Auditors will complete their terms of office at the conclusion of this Meeting. Accordingly, we propose that you elect the following four (4) Corporate Auditors.

The Board of Corporate Auditors has given prior consent to the submission of this proposal.

The candidates for the positions are as follows:

Candidate No.	Name	Current position at the Company			
1	<b>Yoshikazu Takezaki</b>	Managing Executive Officer	<b>New</b>		
2	<b>Katsuyoshi Aoki</b>	Standing Corporate Auditor	Reappointment		
3	<b>Kazuhiko Yamagishi</b>	Outside Corporate Auditor	Reappointment	Outside	Independent
4	<b>Noriko Kawate</b>	Outside Corporate Auditor	Reappointment	Outside	Independent


(Reference)


If this proposal is approved, the correspondence between key knowledge, experiences, abilities, etc. which the Company's Board of Corporate Auditors requires and the respective Corporate Auditors will become as follows. This table does not cover all the knowledge, experiences or abilities, etc. required of the Company's Board of Corporate Auditors. Key knowledge, experiences and abilities, etc. of the Corporate Auditors are marked with ●.

(As of June 22, 2023)


Name	Position at the Company	Knowledge, experiences, abilities, etc.				
		Corporate and organization management	Finance and accounting	Legal affairs and compliance	Internal control and risk management	Global
Yoshikazu Takezaki	Standing Corporate Auditor	●		●	●	
Katsushige Aoki	Standing Corporate Auditor		●		●	●
Kazuhiko Yamagishi	Outside Corporate Auditor			●	●	●
Noriko Kawate	Outside Corporate Auditor		●	●	●	


Note: The Standing Corporate Auditor will be elected at the meeting of the Board of Corporate Auditors to be held after the conclusion of this Meeting.

Candidate No. 1	(Name) <b>Yoshikazu Takezaki</b>	<b>New</b>
	Date of birth	August 9, 1962
	Number of Company shares held	8,200
	Brief personal history and position at the Company	
	April 1985	Entered the Company
	June 2008	Manager, Human Resources Development Dept. of the Company
	April 2015	Executive Officer of the Company
	April 2021	Managing Executive Officer of the Company (to the present)
<p>[Reasons for selecting as a candidate for Corporate Auditor]</p> <p>Mr. Yoshikazu Takezaki has abundant experience mainly as the chief person in the personnel division, while he also currently serves as the chief person of the general affairs and the legal divisions. As we expect him to utilize his experience and achievements for the audits of the Company, we ask for the election of Mr. Takezaki as a new Corporate Auditor.</p>		

Candidate No. 2	(Name) <b>Katsushige Aoki</b>	<b>Reappointment</b>
	Date of birth	April 12, 1961
	Number of Company shares held	1,300
	Attendance at Board of Directors' meetings	
	14 times out of 14 meetings (100%)	
	Attendance at Board of Corporate Auditors' meetings	
	19 times out of 19 meetings (100%)	
Brief personal history and position at the Company		
	April 1986	Entered Sumitomo Chemical Co., Ltd.
	March 2012	General Manager, Internal Control and Audit Dept. of Sumitomo Chemical Co., Ltd.
	June 2019	Retired from Sumitomo Chemical Co., Ltd. Standing Corporate Auditor of the Company (to the present)
<p>[Reasons for selecting as a candidate for Corporate Auditor]</p> <p>At Sumitomo Chemical Co., Ltd., Mr. Katsushige Aoki engaged for many years in duties related to finance and accounting, internal control, internal audits, and group governance, including overseas duties. As we expect him to continue utilizing his experience and achievements for the audits of the Company, we once again ask for the election of Mr. Aoki as Corporate Auditor.</p>		



Candidate No. 3	(Name) <b>Kazuhiko Yamagishi</b>	Reappointment	Outside	Independent
		Date of birth	April 19, 1956	
Number of Company shares held		0		
Attendance at Board of Directors' meetings		14 times out of 14 meetings (100%)		
Attendance at Board of Corporate Auditors' meetings		19 times out of 19 meetings (100%)		
Brief personal history and position at the Company				
April 1984		Lawyer registration		
September 1995	New York State Attorney registration			
March 1998	Partner of Asahi Law Offices (to the present)			
April 2008	Director of Yamato Servicer Co., Ltd.			
June 2019	Outside Corporate Auditor of the Company (to the present)			
[Major concurrent position] Lawyer at Asahi Law Office Outside Corporate Auditor of New Cosmos Electric Co., Ltd.				
[Reasons for selecting as a candidate for Corporate Auditor] Mr. Kazuhiko Yamaguchi possesses a specialist viewpoint as an attorney and a wide range of insights relating to corporate management. As we expect him to continue utilizing his experience and achievements for the audits of the Company, we once again ask for the election of Mr. Yamagishi as Corporate Auditor.				

Candidate No. 4	(Name) <b>Noriko Kawate</b>	Reappointment	Outside	Independent
		Date of birth	February 22, 1976	
Number of Company shares held		100		
Attendance at Board of Directors' meetings		14 times out of 14 meetings (100%)		
Attendance at Board of Corporate Auditors' meetings		19 times out of 19 meetings (100%)		
Brief personal history and position at the Company				
April 1999		Entered Deloitte Touche Tohmatsu LLC		
July 2001		Certified Public Accountant registration		
April 2003	Established Kawate CPA Office, Principal (to the present)			
August 2004	Joined Cast Law P.C. (currently Uryu & Itoga)			
November 2004	Certified Tax Accountant registration			
February 2008	Established CLEA Consulting Co., Ltd., Representative Director (to the present)			
January 2009	Joined Gracia Corporation			
November 2011	U.S. Certified Public Accountant registration			
February 2015	Partner of Cast Group (currently Cast Global Group) (to the present)			
June 2021	Outside Corporate Auditor of the Company (to the present)			
[Major concurrent position] Certified Public Accountant, Certified Tax Accountant and U.S. Certified Public Accountant of Kawate CPA Office Representative Director of CLEA Consulting Co., Ltd. Partner of Cast Global Group Outside Director of Ichigo Inc. Outside Auditor of Nichireki Co., Ltd.				
[Reasons for selecting as a candidate for Corporate Auditor] Ms. Noriko Kawate has a specialist viewpoint as a certified public accountant and a certified tax accountant and a wide range of insights relating to finance, accounting and corporate management. As we expect her to continue utilizing her experience and achievements for the audits of the Company, we once again ask for the election of Ms. Kawate as Corporate Auditor.				

- Notes:
1. No conflict of interest exists between the Company and any of the above candidates.
  2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Katsushige Aoki, Mr. Kazuhiko Yamagishi and Ms. Noriko Kawate to limit liability as provided for in Article 423, Paragraph 1 of the Companies Act and the maximum amount of liability shall be the amount stipulated in applicable laws and regulations.
  3. The Company has entered into a directors and officers liability insurance contract that covers the directors, corporate auditors and executive officers as the insured with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages and legal expenses the insured assumes when claims for damages are made against the insured as a result of the execution (including omission) of his or her duties as an officer of the Company. The insurance premiums are fully paid by the Company. If this proposal is approved, the candidates will be insured under the insurance contract. Further, the Company plans to renew the insurance contract with the same content at the next renewal.
  4. Mr. Kazuhiko Yamagishi and Ms. Noriko Kawate are candidates for Outside Corporate Auditors.
  5. The term in office as Outside Corporate Auditor of Mr. Kazuhiko Yamagishi will be four (4) years upon the conclusion of this Meeting.  
The term in office as Outside Corporate Auditor Ms. Noriko Kawate will be two (2) years upon the conclusion of this Meeting.


6. The Company has determined Mr. Kazuhiko Yamagishi and Ms. Noriko Kawate to be independent based on the “Criteria for Independence of Directors and Corporate Auditors” (page 24) stipulated by the Company. Further, Mr. Yamagishi and Ms. Kawate are submitted to Tokyo Stock Exchange, Inc. as independent officers as stipulated by the said exchange.

#### Proposal No. 4 Election of One (1) Substitute Corporate Auditor

We propose that, preparing for a deficiency in the legal number of corporate auditors, you elect one (1) Substitute Corporate Auditor in advance. Also, we propose that, limited to the period prior to the assumption of office, the appointment of a Substitute Corporate Auditor may be effectively withdrawn by the resolution of the Board of Directors after obtaining an approval of the Board of Corporate Auditors.

The Board of Corporate Auditors has given prior consent to the submission of this proposal.

The candidate for the Substitute Corporate Auditor is as follows:

(Name)	
<b>Setsuko Yufu</b>	Outside Independent
	Date of birth March 28, 1952
	Number of Company shares held 0
	Brief personal history and position at the Company
	April 1981 Lawyer registration January 2002 Senior Partner of Atsumi & Sakai (to the present)
[Major concurrent position] Lawyer at Atsumi & Sakai Outside Corporate Auditor of Panasonic Holdings Corporation	
[Reasons for selecting as a candidate for Substitute Outside Corporate Auditor] We propose to appoint Ms. Setsuko Yufu as Substitute Outside Corporate Auditor, as she has a specialist viewpoint as a lawyer and a wide range of insights relating to management, and we have judged that she is qualified for the position of Outside Corporate Auditor of the Company and that she can appropriately perform her duties as Outside Director.	

- Notes:
1. No conflict of interests exists between the Company and the candidate.
  2. If the Substitute Corporate Auditor assumes the office of Outside Corporate Auditor after approval of this proposal, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into an agreement with Ms. Setsuko Yufu to limit liability as provided for in Article 423, Paragraph 1 of the Companies Act and the maximum amount of liability shall be the amount stipulated in applicable laws and regulations.
  3. The Company has entered into a directors and officers liability insurance contract that covers the directors, corporate auditors and executive officers as the insured with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages and legal expenses the insured assumes when claims for damages are made against the insured as a result of the execution (including omission) of his or her duties as an officer of the Company. The insurance premiums are fully paid by the Company. If the Substitute Corporate Auditor assumes the office of Outside Corporate Auditor after approval of this proposal, Ms. Setsuko Yufu will become the insured under the insurance contract. Further, the Company plans to renew the insurance contract with the same content at the next renewal.
  4. Ms. Setsuko Yufu is a candidate for Substitute Outside Corporate Auditor.
  5. The Company has determined Ms. Setsuko Yufu to be independent based on the “Criteria for Independence of Directors and Corporate Auditors” (page 24) stipulated by the Company. Further, Ms. Yufu satisfies the requirements of independent officers stipulated by the Tokyo Stock Exchange, Inc.

## **Proposal No. 5 Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Outside Directors)**

The amount of remuneration of Directors of the Company was approved at not more than 550 million yen per year (however, not including the employee salary portion of Directors who serve concurrently as employees) at the 115th Ordinary General Meeting of Shareholders, held on June 29, 2006. We hereby propose that you approve the payment of new remuneration to grant restricted stock to the Company's Directors (excluding Outside Directors, hereinafter referred to as the "Eligible Director(s)"), separately from the above remuneration limit, in order to provide the Eligible Directors with an incentive to contribute to the Company's sustained improvement of corporate value, while at same time share further value with the shareholders.

Based on this proposal, the total maximum amount of monetary compensation to be paid in order to grant restricted stock to Eligible Directors shall be 150 million yen per year, as an amount deemed reasonable in light of the above purpose.

Additionally, the Eligible Directors shall, by a resolution of the Board of Directors, contribute all of the monetary compensation claims paid by the Company in the form of property paid in kind to receive the issue or disposal of the Company's common shares. The total maximum number of the Company's common shares to be issued or disposed of shall be 75,000 shares per year (however, if a share split (including the allotment of the Company's common shares without consideration) or a reverse share split of common shares of the Company takes place with an effective date on or after the day on which this proposal is approved and adopted by this Meeting, such total number will be adjusted to a reasonable extent as necessary in accordance with the split ratio, reverse split ratio, etc., on or after the effective date).

Furthermore, the amount to be paid per share in the issue or disposal of the Company's common shares shall be determined by the Board of Directors, based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors (or the closing price on the trading day immediately prior thereto if there is no trading on the relevant business day) to the extent that is not particularly advantageous to the Eligible Directors. The specific timing of payment and allocation to each Eligible Director shall be decided by the Board of Directors or the Nomination and Remuneration Committee, which has been delegated by a resolution of the Board of Directors.

The Company, conditional upon the approval of this proposal, has resolved to revise the "Matters Concerning the Policy for Determining the Content of Individual Remuneration, etc. of Directors", at the meeting of the Board of Directors held on May 15, 2023. Regarding this resolution, the Nomination and Remuneration Committee, the majority of the members of which comprise Independent Outside Directors, has decided to approve this revision. An outline of the policy after the revision is provided on page 23. The proposal has been deemed appropriate by the Company because the granting of restricted stock based on this proposal is not only necessary and reasonable but also aligns with the said policy.

If Proposal 2, "Election of Nine (9) Directors" is approved as proposed, the number of Eligible Directors will be six (6).

The issue or disposal of the Company's common shares based on this proposal shall be conditional upon the execution of a restricted stock allotment agreement (the "Allotment Agreement"), which includes the following terms and conditions, between the Company and the Eligible Directors.

### (1) Transfer Restriction Period

An Eligible Director shall not transfer, create a security interest on, or otherwise dispose of (the "Transfer Restrictions") the Company's common shares that have been allotted based on the Allotment Agreement (the "Allotted Shares"), from the date on which the allotment of the Allotted Shares was received until the date on which the Eligible Director retires from the post of Director or an Executive Officer of the Company (the "Transfer Restriction Period").

### (2) Handling at the time of retirement

If an Eligible Director retires from the position of Director and/or Executive Officer before the expiry of the period stipulated by the Company's Board of Directors (the "Service Period"), unless there is a reason deemed valid by the Company's Board of Directors, the Company shall automatically acquire the Allotted Shares without consideration.

### (3) Lifting of the Transfer Restrictions

The Company, conditional upon the Eligible Director continuously holding the post of a Director or an Executive Officer throughout the Service Period, shall lift the Transfer Restrictions on all of the Allotted Shares at the point the Transfer Restriction Period expires.

(4) Acquisition without consideration of the Allotted Shares

- 1) If an Eligible Director retires from the position of Director and/or Executive Office before the expiry of the Service Period for reasons deemed valid by the Company's Board of Directors as set forth in (2) above, the number of Allotted Shares subject to the lifting of the Transfer Restrictions shall be adjusted, as necessary, to a reasonable extent. The Company shall, in accordance with this provision, automatically acquire without consideration any Allotted Shares remaining for which the Transfer Restrictions had not been lifted, at the point the Transfer Restriction Period expires.
- 2) If an Eligible Director, during the Transfer Restriction Period, has violated laws and regulations, the internal rules of the Company, the Allotment Agreement, or otherwise falls under any of the reasons set forth in the Allotment Agreement or set forth by the Board of Directors of the Company for the acquisition without consideration of the Allotted Shares, the Company shall automatically acquire the Allotted Shares without consideration.

(5) Handling in the event of an organizational restructuring, etc.

Notwithstanding the provision of (1) above, if during the Transfer Restriction Period, a merger agreement in which the Company becomes the non-surviving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring, etc., is approved by the General Meeting of Shareholders of the Company (however, if said the organizational restructuring, etc., does not require the approval of the General Meeting of Shareholders of the Company, then the Board of Directors), the Company, by a resolution of the Board of Directors, shall lift the Transfer Restrictions, prior to the effective date of the organizational restructuring, etc., for the number of Allotted Shares determined reasonably taking into account the period between the commencement of the Service Period to the date on which the organization restructuring, etc., was approved. In addition, in situations described above, the Company shall automatically acquire without consideration any Allotted Shares remaining for which the Transfer Restrictions had not been lifted, at the point the Transfer Restriction Period expires.

(Reference)

If this proposal is approved, the Company intends to reduce the current amount of monthly remuneration being paid to the Eligible Directors and allocate that amount to stock compensation, to ensure that the proportion of monthly remuneration (fixed remuneration) at the time of approval of this proposal to stock compensation is reasonable.

In addition, the Company, conditional upon the approval of this proposal, intends to adopt a similar restricted stock compensation plan for the Company's Executive Officers (excluding non-residents).

(Reference)

The following is a summary of the Policy for Determining the Content of Individual Remuneration, etc. of Directors, if this proposal is approved.

To provide an incentive to contribute to the sustained improvement of corporate value of the Company, the remuneration of Directors of the Company shall be based on a remuneration system that is linked to performance and shareholder value. Specifically, remunerations shall comprise “monthly remuneration,” which is fixed remuneration according to position, “bonuses,” which serve as short-term incentives to motivate the Directors to achieve the annual business plans, and “stock compensation,” medium- to long-term incentives to encourage the sharing of value with shareholders. However, the remuneration of Outside Directors shall comprise exclusively monthly remuneration. The total maximum amount of monthly remuneration and bonuses to be paid shall be 550 million yen per year and the total maximum amount of stock compensation to be paid shall be 150 million yen per year and are both within the limits resolved by the General Meeting of Shareholders.

A Nomination and Remuneration Committee, the majority of the members of which are Independent Outside Directors (persons who have been submitted to Tokyo Stock Exchange, Inc., as independent officers), shall be established and the authority to determine the amount of individual remuneration, etc., to Directors shall be delegated by resolution of the Board of Directors to the Nomination and Remuneration Committee.

(1) Monthly remuneration

Monthly remuneration shall be a fixed cash payment each month throughout the term of office of the Director, and the amount to be paid to the individual Directors shall be determined according to position by comprehensively taking into account various factors including the management environment and economic conditions.

(2) Bonuses

The amount of bonuses shall be calculated to reflect business performance, and business profit, one of the Company’s important indicators to be managed in order to achieve sustainable growth, shall be used as the calculation index. The total amount to be paid shall be calculated by multiplying business profit by a certain percentage, and the amount to be paid to individual Directors shall be calculated by multiplying the total payment amount by a certain percentage according to the Director’s position and responsibilities. Bonuses shall be paid in cash each year in June on the day of the ordinary general meeting shareholders.

(3) Stock compensation

Stock compensation shall comprise restricted stock compensation and restricted stock corresponding to the amount to be paid according to the Director’s position shall be allotted at a specific time each year after the conclusion of the ordinary general meeting of shareholders. The Transfer Restriction Period of the restricted stock shall be the period until the date of retirement from the post of Director or Executive Officer of the Company. In the event that, during the Transfer Restriction Period, the Director who has received the allotment violates laws and regulations, the internal rules of the Company, the Allotment Agreement, or otherwise falls under any of the reasons set forth by the Board of Directors of the Company, the Company shall automatically acquire all or a part of such Allotted Shares without consideration.

(4) The policy on the determination of the proportion of the amount of each type of remuneration, etc. to the amount of individual remuneration, etc., to Directors

The proportion of each type of remuneration to the total amount of individual remuneration, etc. to be paid to the Directors (excluding Outside Directors) of the Company shall be appropriately determined by taking into account various factors such as the position and responsibilities so that it functions as an incentive to contribute to the sustained improvement of corporate value of the Company.

(Reference)

The Company has stipulated the criteria on the independence of Directors and Corporate Auditors as follows for the determination of their independence.

#### Criteria for Independence of Directors and Corporate Auditors

The criteria determining the independence of Directors and Corporate Auditors shall be as follows:

1. A Director or a Corporate Auditor shall satisfy the requirements for an outside officer as stipulated by the Companies Act and shall not fall under any of the following in order to be deemed independent.
  - (1) A major business partner of the Company (within the past five (5) years)
    - An individual whose business accounts for 2% or more of the Company's annual consolidated revenue for the most recent fiscal year (in the case of a corporation or a group, an executive officer thereof (including an adviser or any other corporate officer)).
    - In the case of an individual who has left the position as an executive officer of a major business partner, an individual with less than five (5) years since his/her departure from office.
    - In the case of an individual whose major business partner is the Company, determination shall be made based on the actual business status.
  - (2) Attorneys, certified public accountants, tax accountants, and other consultants and professionals
    - An individual who is receiving an annual amount of 10 million yen or more from the Company in money or any other property benefit other than Director's or Corporate Auditor's compensations (including any individual belonging to a group such as a law firm, an audit corporation, a tax accounting firm, a consulting firm, or any other corporation or association).
    - An individual receiving an annual amount of 10 million yen or more from the Company in donation or subsidy (including a board member or any other executive officer of a corporation, association or any other group).
  - (3) Major Shareholders
    - An individual whose shares account for 10% or more of the voting rights (in the case of a corporation or a group, an executive officer thereof (including an adviser or any other corporate officer)).
    - An individual who was an executive officer of an aforementioned corporation or any other group during the past five (5) years.
  - (4) Relatives
    - A spouse, or a second-degree or a closer relative of an executive officer of the Company group.
    - The independence of the spouse, or the second-degree or the closer relative of an individual falling under any of (1) through (3) shall be determined based on the actual situation.
2. When there are doubts concerning independence due to attributes other than those listed in 1. above, the Board of Directors shall determine independence on a case-by-case basis.