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(Stock Exchange Code 1961)

June 5, 2023

(Start date of measures for electronic provision: May 31, 2023)

**To Shareholders with Voting Rights:**

Hirokazu Ishida  
Representative Director and President  
SANKI ENGINEERING CO., LTD.  
8-1, Akashicho, Chuo-ku, Tokyo

**NOTICE OF CONVOCATION OF  
THE 99th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 99th Annual General Meeting of Shareholders of SANKI ENGINEERING CO., LTD. (the “Company”) will be held for the purposes as described below.

When convening this General Meeting of Shareholders, the Company will take measures for electronic provision, and will post the matters subject to measures for electronic provision on the following websites on the Internet.

[The Company’s website]

<https://www.sanki.co.jp/ir/stock/meeting.html>

In addition to the above, the matters subject to measures for electronic provision are also posted on the website presented below.

[Tokyo Stock Exchange website (Listed Company Search service)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the Tokyo Stock Exchange website above, enter “Sanki Engineering” in the Issue name (company name) or enter “1961” in the Code, click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.” On the “Filed information available for public inspection” section, please review the documents from “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting.”)

Instead of attending the meeting, you may exercise your voting rights by either of the methods below. Please review the Reference Documents for the General Meeting of Shareholders posted on the matters subject to measures for electronic provision, and exercise your voting rights by no later than 5:00 p.m. Japan time on Thursday, June 22, 2023.

[Exercising Voting Rights in Writing]

Please indicate your proposals on the enclosed Voting Rights Exercise Form, and return it such that it arrives by the above deadline for exercise.

[Exercising Voting Rights via the Internet]

Please review the “Guide to Exercising Voting Rights via the Internet” on page 5 (Japanese version only), access the voting rights exercise website designated by the Company (<https://www.web54.net>), and enter your proposals by the above deadline for exercise, in accordance with the on-screen instructions.

Please note that we will not provide souvenirs to shareholders attending the meeting.

- 1. Date and Time:** Friday, June 23, 2023 at 10:00 a.m. Japan time  
(Reception opens: 9:00 a.m.)
- 2. Place:** Sakura Room, 4th Floor, Main Building, Imperial Hotel Tokyo  
1-1, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 99th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 99th Fiscal Year (April 1, 2022 - March 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 11 Directors
- Proposal 3:** Election of 2 Audit & Supervisory Board Members
- Proposal 4:** Election of 1 Substitute Audit & Supervisory Board Member

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1. English versions of this Notice of Annual General Meeting of Shareholders and the Reference Documents for the General Meeting of Shareholders posted on the matters subject to measures for electronic provision will be posted on the Company's website (<https://www.sanki.co.jp/>).
  2. If revisions to the matters subject to measures for electronic provision arise, the details of the revisions will be posted on the respective posted websites.
  3. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  4. Reference Documents for the General Meeting of Shareholders have been sent to all shareholders.
  5. In accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.
    - (i) Matters relating to the Company's Stock Acquisition Rights
    - (ii) Matters relating to Accounting Auditor
    - (iii) Company's Structure and Policy (excluding policy on determination on dividends of surplus, etc.)
    - (iv) Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements of the Consolidated Financial Statements
    - (v) Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements of the Non-consolidated Financial Statements

Therefore, such documents are excerpt of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor in preparing the accounting audit report, and excerpt of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members in preparing the audit report.

## Information on Operation of the General Meeting of Shareholders

1. Announcement regarding video streaming before and after the meeting  
Streaming video of the Business Report for the fiscal year ended March 31, 2023 and the Issues to be Addressed will be posted on the Company's website (<https://www.sanki.co.jp/>) around Friday, June 16, 2023 before the day of the meeting.  
In addition, the on-demand video of this General Meeting of Shareholders will be delivered through the Company's website (<https://www.sanki.co.jp/>).
2. Guidance on the call for questions before the meeting  
We will accept questions about the Matters to be Reported and Proposals to be Resolved in this General Meeting of Shareholders on the Company's website (<https://www.sanki.co.jp/>).  
<Deadline> Tuesday, June 20, 2023 at 5:00 p.m.
3. Announcement regarding online live streaming of the meeting  
This General Meeting of Shareholders will be broadcast live on the day on the Internet so that you can watch the proceedings from your own home or other places. For further details, please see pages 6 and 7 (Japanese version only). After the live streaming, we will accept questions or comments you may have about the live streaming on the Company's website (<https://www.sanki.co.jp/>).  
<Deadline> Monday, June 26, 2023 at 5:00 p.m.
4. Request to shareholders attending in person
  - We will prepare alcohol disinfectant for shareholders near the reception at the venue.  
We generally will not ask you to wear your face mask, so we ask for your decision to wear or not to wear a face mask when attending the meeting.
  - We shall be measuring the temperatures of all attendees near the reception at the venue. If you have a fever or are feeling unwell, you may be refused entry to the meeting and we may request you to leave.
  - The operating staff shall be wearing masks as they measure temperatures and check whether shareholders are feeling unwell.
  - In order to streamline the proceedings, we may shorten the duration of this General Meeting of Shareholders, and the explanation of the matters to be reported (including the audit report) and the proposals at the meeting hall may be abbreviated. We hereby request all shareholders to read the matters subject to measures for electronic provision beforehand.
  - Depending on the developments of the COVID-19 outbreak and announcements, etc. to be made by the government, etc. by the day of the General Meeting of Shareholders, the response method might be altered. Please be sure to check the Company's website (<https://www.sanki.co.jp/>) for the latest information.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

In the fiscal year under review (fiscal year 2022) as the first year of Phase 3 of the Medium-term Management Plan “Century 2025,” the Company’s basic policy is to pay a stable and continuous dividend of a payout ratio of 50% or higher and an annual dividend per share of 70 yen or more, and acquire the Company’s treasury stock of approximately 5 million shares during the period of Phase 3.

Although the Company’s performance for the fiscal year under review recorded both year-on-year decreases in sales and profit, orders received was 228.5 billion yen, exceeding the targets projected for consolidated net sales of 220.0 billion yen for the fiscal year 2025, the final year of Phase 3. The Company secured a substantial amount of work carried forward.

The Company considers the return of profits to shareholders an important management policy. As a result of comprehensively considering these situations, the Company proposes a year-end dividend for the fiscal year under review as follows, in addition to a special dividend.

#### Items Related to the Year-end Dividend

- (1) Items related to the allocation of dividend property to shareholders and its total amount  
40 yen per common share of the Company  
(Including an ordinary dividend of 35 yen and a special dividend of 5 yen)  
Total of 2,177,547,920 yen
- (2) Effective date of the appropriation of surplus  
June 26, 2023

Furthermore, the Company paid an interim dividend of 35 yen per share, and therefore the total dividend for the fiscal year under review will be 75 yen per share.

**Proposal 2:** Election of 11 Directors

The terms of office of all Directors (12 Directors) will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 11 Directors is proposed.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities	Attendance at the Board of Directors' meetings
1	<input type="checkbox"/> Reappointed Tsutomu Hasegawa	Representative Director and Chairman (of the Board)	100% (13/13)
2	<input type="checkbox"/> Reappointed Hirokazu Ishida	Representative Director and President	100% (13/13)
3	<input type="checkbox"/> Reappointed Eiji Mitsuishi	Director; Senior Executive Officer; General Manager, Mechanical & Electrical Contracting Headquarters	100% (13/13)
4	<input type="checkbox"/> Reappointed Masayuki Kudo	Director; Senior Executive Officer	100% (13/13)
5	<input type="checkbox"/> Reappointed Kazuaki Iijima	Director; Managing Executive Officer; General Manager, Plants & Machinery Systems Headquarters	100% (13/13)
6	<input type="checkbox"/> Reappointed Yoshio Kawabe	Director; Managing Executive Officer; General Manager, Accounting Division; Chief Financial Officer	92% (12/13)
7	<input type="checkbox"/> Reappointed Yukiteru Yamamoto	<input type="checkbox"/> External <input type="checkbox"/> Independent External Director; Chair of the Board of Directors	100% (13/13)
8	<input type="checkbox"/> Reappointed Kazuhiko Kashikura	<input type="checkbox"/> External <input type="checkbox"/> Independent External Director	100% (13/13)
9	<input type="checkbox"/> Reappointed Keiji Kono	<input type="checkbox"/> External <input type="checkbox"/> Independent External Director	100% (13/13)
10	<input type="checkbox"/> Reappointed Akihiko Matsuda	<input type="checkbox"/> External <input type="checkbox"/> Independent External Director	100% (13/13)
11	<input type="checkbox"/> Reappointed Tamami Umeda	<input type="checkbox"/> External <input type="checkbox"/> Independent External Director	100% (11/11)

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Tsutomu Hasegawa (March 4, 1953)  <u>Reappointed</u>	<p>April 1975      Joined the Company</p> <p>June 2008      Executive Officer; Deputy General Manager, Tokyo Branch, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2009      Executive Officer; General Manager, Business Strategy Division, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2010      Superior Executive Officer; General Manager, Tokyo Branch, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2011      Managing Executive Officer; General Manager, Tokyo Branch</p> <p>April 2012      Senior Executive Officer; General Manager, Sales Administration Division</p> <p>June 2012      Director; Senior Executive Officer; General Manager, Sales Administration Division</p> <p>April 2013      Representative Director; Senior Executive Officer; General Manager, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2015      Representative Director and President</p> <p>April 2020      Representative Director and Chairman (of the Board) To present</p> <p>&lt;Responsibilities&gt; Secretarial Office</p>	45,100
<p>Reason for nomination</p> <p>Since April 2015, as Representative Director and President, Mr. Tsutomu Hasegawa has continually demonstrated his leadership in a myriad of situations and engaged in business operations. Since April 2020, he has displayed his managerial abilities, insight and capabilities cultivated over the years in the position of Representative Director and Chairman. The Company has judged that he is essential for the Group to enhance its corporate value, and has therefore nominated him as a candidate for Director.</p>			
2	Hirokazu Ishida (January 22, 1959)  <u>Reappointed</u>	<p>April 1983      Joined the Company</p> <p>April 2012      Executive Officer; Deputy General Manager, Sales Administration Division</p> <p>April 2013      Executive Officer; General Manager, Hokkaido Branch Office</p> <p>April 2016      Managing Executive Officer; General Manager, Sales Administration Division, Mechanical &amp; Electrical Contracting Headquarters</p> <p>June 2017      Director; Managing Executive Officer; General Manager, Sales Administration Division, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2018      Director; Senior Executive Officer; General Manager, Management Planning Office</p> <p>April 2020      Representative Director and President To present</p> <p>&lt;Responsibilities&gt; Internal Audit Office, Management Planning Office, Legal Affairs Office and DX Promotion Division</p>	41,800
<p>Reason for nomination</p> <p>Since joining the Company, Mr. Hirokazu Ishida engaged in the facilities construction business for many years, and possesses abundant experience, knowledge and achievements related to the Company's business. He also has served in positions including General Manager of the Management Planning Office, and has been doing his utmost to promote strengthening of the management foundation and the long-term vision "Century 2025" since April 2020, as Representative Director and President. The Company has judged that he is essential for the Group to enhance its corporate value, and has therefore nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Eiji Mitsuishi (February 24, 1952)  <u>Reappointed</u>	<p>April 1972      Joined the Company</p> <p>April 2011      Executive Officer; Deputy General Manager, Chubu Branch</p> <p>April 2013      Managing Executive Officer; General Manager, Chubu Branch</p> <p>April 2017      Senior Executive Officer; General Manager, Mechanical &amp; Electrical Contracting Headquarters</p> <p>June 2017      Director; Senior Executive Officer; General Manager, Mechanical &amp; Electrical Contracting Headquarters</p> <p>To present</p> <p>&lt;Responsibilities&gt; Labor Safety and Health Promotion Office, Mechanical &amp; Electrical Contracting Headquarters</p>	37,300
		<p>Reason for nomination</p> <p>Mr. Eiji Mitsuishi has many years of experience in operation and division management of the facilities construction business. Currently, he serves as General Manager of the Mechanical &amp; Electrical Contracting Headquarters, and is making efforts in the promotion of workstyle reforms at construction sites and the prevention of work accidents. The Company has judged that his above experience and achievements are essential for the Group to further enhance its corporate value, and has therefore nominated him as a candidate for Director.</p>	
4	Masayuki Kudo (June 27, 1959)  <u>Reappointed</u>	<p>April 1985      Joined the Company</p> <p>June 2014      Executive Officer; General Manager, Facility Systems Division</p> <p>April 2017      Managing Executive Officer; Deputy General Manager, Mechanical &amp; Electrical Contracting Headquarters</p> <p>April 2018      Managing Executive Officer</p> <p>June 2018      Director; Managing Executive Officer</p> <p>April 2021      Director; Senior Executive Officer; General Manager, CSR Promotion Division</p> <p>April 2022      Director; Senior Executive Officer; General Manager, Sustainability Promotion Division</p> <p>April 2023      Director; Senior Executive Officer</p> <p>To present</p> <p>&lt;Responsibilities&gt; Chief Cost Inspector Office, Information Systems Office, Sustainability Promotion Division, Facility Systems Division</p>	28,900
		<p>Reason for nomination</p> <p>After getting abundant operational experience, including experience overseas, as an engineer in the facilities construction business, Mr. Masayuki Kudo served as General Manager of the Facility Systems Division and General Manager of the Sustainability Promotion Division, etc. Currently, as officer responsible for the Chief Cost Inspector Office, the Information Systems Office, the Sustainability Promotion Division, and the Facility Systems Division, he is demonstrating his high degree of insight. The Company has judged that his above experience and achievements are essential for the Group to enhance its corporate value, and has therefore nominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Kazuaki Iijima (August 12, 1958)  <u>Reappointed</u>	<p>April 1984      Joined the Company</p> <p>April 2016      Executive Officer; General Manager, Technology Research Institute</p> <p>October 2018    Executive Officer; General Manager, Technical Research &amp; Development Center</p> <p>April 2021      Managing Executive Officer; General Manager, Plants &amp; Machinery Systems Headquarters</p> <p>June 2021      Director; Managing Executive Officer; General Manager, Plants &amp; Machinery Systems Headquarters</p> <p>To present</p> <p>&lt;Responsibilities&gt; Technical Research &amp; Development Center, Plants &amp; Machinery Systems Headquarters</p>	16,100
		<p>Reason for nomination</p> <p>Since joining the Company, Mr. Kazuaki Iijima has achievements as an engineer and experience as a manager in the research and development and the energy saving business. Currently, as General Manager of the Plants &amp; Machinery Systems Headquarters, he contributes to the development of the machinery systems business and the environmental systems business. The Company has judged that his above experience and achievements are essential for the Group to further enhance corporate value, and has therefore nominated him as a candidate for Director.</p>	
6	Yoshio Kawabe (October 31, 1960)  <u>Reappointed</u>	<p>April 1984      Joined the Company</p> <p>April 2015      Executive Officer; General Manager, Administration Division</p> <p>June 2015      Director; Executive Officer; General Manager, Administration Division</p> <p>April 2017      Director; Executive Officer; General Manager, Accounting Division</p> <p>June 2017      Executive Officer; General Manager, Accounting Division</p> <p>June 2020      Director; Executive Officer; General Manager, Accounting Division; Chief Financial Officer</p> <p>April 2022      Director; Managing Executive Officer; General Manager, Accounting Division; Chief Financial Officer</p> <p>To present</p> <p>&lt;Responsibilities&gt; General Affairs and Human Resources Division, Accounting Division, SANKI Techno Center</p>	14,600
		<p>Reason for nomination</p> <p>Since joining the Company, Mr. Yoshio Kawabe has engaged mainly in accounting and finance-related operations and the promotion of internal control. Currently, as General Manager of the Accounting Division and officer responsible for the General Affairs and Human Resources Division and the SANKI Techno Center, he focuses on capital and finance policies as well as human resources policy. The Company has judged that his above experience and insights are essential for the Group to enhance its corporate value, and has therefore nominated him as a candidate for Director.</p>	



No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
7	Yukiteru Yamamoto (June 3, 1953)  External Independent Officer Reappointed	April 1977 June 2008	Joined MITSUI LIFE INSURANCE MUTUAL COMPANY Director; Managing Executive Officer, MITSUI LIFE INSURANCE COMPANY LIMITED	15,400
		April 2009 April 2012 June 2013 June 2014 April 2015 March 2017 June 2020	Representative Director and President; Chief Operating Officer; General Manager, Operational Improvement Promotion Division Representative Director and President; Chief Operating Officer Special Advisor External Director, the Company Advisor, MITSUI LIFE INSURANCE COMPANY LIMITED Retired from MITSUI LIFE INSURANCE COMPANY LIMITED External Director; Chair of the Board of Directors, the Company To present	
Reason for nomination Mr. Yukiteru Yamamoto has served in positions including Representative Director and President of MITSUI LIFE INSURANCE COMPANY LIMITED (currently TAIJU LIFE INSURANCE COMPANY LIMITED) and Executive Member of the Policy Board of the Japan Business Federation, and he thus possesses abundant operational experience and wide-ranging knowledge regarding corporate management. He currently contributes to the enhancement of corporate governance as Chair of the Board of Directors of the Company. His advice and supervision based on the experience and insights developed through this background will lead to sustainable enhancement of the Group's corporate value, and the Company has therefore nominated him again as a candidate for External Director.				
8	Kazuhiko Kashikura (April 13, 1954)  External Independent Officer Reappointed	April 1977 June 2005	Joined Mitsui Bank Co., Ltd. Executive Officer; General Manager, Operations Audit Division, Sumitomo Mitsui Banking Corporation	6,900
		April 2008 April 2008 May 2008 May 2013 June 2013 June 2017 June 2018	Executive Officer Retired from Sumitomo Mitsui Banking Corporation Representative Director and President, SMBC Staff Service Co., Ltd. Retired from SMBC Staff Service Co., LTD. Representative Director and President, SMBC Finance Service Co., Ltd. Representative Director and Chairman External Director, the Company To present Retired from the position of Representative Director and Chairman, SMBC Finance Service Co., Ltd.	
Reason for nomination Mr. Kazuhiko Kashikura has served as Executive Officer of Sumitomo Mitsui Banking Corporation and a top executive at the same group companies and he thus has abundant experience and broad insight in corporate management. His advice and supervision based on the experience and insights developed through this background will lead to sustainable enhancement of the Group's corporate value, and the Company has therefore nominated him again as a candidate for External Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	Keiji Kono (September 18, 1957)  <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">External</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Independent Officer</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; text-align: center;">Reappointed</div>	April 1980      Joined The Bank of Japan May 1999      Manager, Price Statistics Section, Research and Statistics Department February 2001    Manager, Economic Statistics Section, Research and Statistics Department November 2002    Deputy General Manager, Nagoya Branch March 2004      General Manager, Matsue Branch July 2006        Associate Director-General, Financial Markets Department November 2007    General Manager, Fukuoka Branch May 2009        Director-General, Information System Services Department April 2010        Retired from The Bank of Japan May 2010        Full-time Advisor, Chugai Pharmaceutical Co., Ltd. October 2010     Executive Officer; Deputy Head, Lifecycle Management Marketing Unit November 2010    Executive Officer; Head, Lifecycle Management Unit 2, Lifecycle Management Marketing Unit April 2012        Executive Officer; Deputy Head, Marketing & Sales Division January 2013     Executive Officer; Head, IT Supervisory Division October 2015     Executive Officer in charge of Global Health Policy; Head, IT Supervisory Division January 2017     Executive Officer in charge of External Affairs Department and Global Health Policy April 2017        Senior Vice President in charge of External Affairs Department and Global Health Policy April 2021        Part-time Advisor June 2021        External Director, the Company To present March 2023      Retired from the position of Part-time Advisor, Chugai Pharmaceutical Co., Ltd.	2,300
<p>Reason for nomination</p> <p>Mr. Keiji Kono has served in managerial positions in key departments of The Bank of Japan as a financial specialist. In Chugai Pharmaceutical Co., Ltd., he has held the office of Executive Officer serving as Head of the IT Supervisory Division and fulfilled roles including promoting overseas activities that contribute to society, and he thus has abundant experience and broad insight in corporate management. His advice and supervision based on the experience and insights developed through this background will lead to sustainable enhancement of the Group's corporate value, and the Company has therefore nominated him again as a candidate for External Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
10	Akihiko Matsuda (January 7, 1960)  External Independent Officer Reappointed	<p>April 1985      Joined Tokyo Gas Co., Ltd.</p> <p>April 2013      Technical Solution Department Managing Director, Energy Advance Co., Ltd.</p> <p>March 2015      Retired from Energy Advance Co., Ltd.</p> <p>April 2015      General Manager, Energy Proposal Promotion Department, Tokyo Gas Co., Ltd.</p> <p>April 2017      Executive Officer President and Representative Director, Tokyo Gas Living Engineering Co., Ltd.</p> <p>March 2020      Retired from Tokyo Gas Living Engineering Co., Ltd.</p> <p>April 2020      Advisor, Tokyo Gas Co., Ltd.</p> <p>June 2021      External Director, the Company To present</p> <p>March 2022      Retired as Advisor of Tokyo Gas Co., Ltd.</p> <p>April 2022      Representative Director, Senior Director, Japan Gas Appliances Inspection Association To present</p> <p>&lt;Significant concurrent position&gt; Representative Director, Senior Director, Japan Gas Appliances Inspection Association</p>	2,300
<p>Reason for nomination</p> <p>Mr. Akihiko Matsuda has served as Executive Officer in Tokyo Gas Co., Ltd. and a top executive at the same group companies and he thus has abundant experience and broad insight in the overall energy business. His advice and supervision based on the experience and insights developed through this background will lead to sustainable enhancement of the Group's corporate value, and the Company has therefore nominated him again as a candidate for External Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
11	Tamami Umeda (April 26, 1960)  External Independent Officer Reappointed	<p>April 1985      Joined the Ministry of Health and Welfare</p> <p>September 2006      Director, Disease Control Division, Health Service Bureau, Ministry of Health, Labour and Welfare</p> <p>July 2008      Director, Tuberculosis and Infectious Diseases Control Division, Health Service Bureau</p> <p>July 2009      Director, Medical Care Division, National Hospital Organization</p> <p>April 2012      Planning Officer</p> <p>October 2013      Director in charge of Medical Affairs</p> <p>October 2015      Director-General Counsellor for medical policy and mental health care, Ministry of Health, Labour and Welfare</p> <p>June 2016      Director-General, Environmental Health Department, Ministry of the Environment</p> <p>July 2019      Director General, Bureau of International Health Cooperation, National Center for Global Health and Medicine</p> <p>March 2021      Retired from Ministry of Health, Labour and Welfare</p> <p>April 2021      Visiting Researcher, National Center for Global Health and Medicine To present</p> <p>June 2022      External Director, the Company To present</p> <p>&lt;Significant concurrent position&gt; Visiting Researcher, National Center for Global Health and Medicine</p>	1,500
<p>Reason for nomination</p> <p>Although Ms. Tamami Umeda does not have experience of being directly involved in corporate management, she is a licensed physician and has held positions such as the Director-General Counsellor, the Ministry of Health, Labour and Welfare and the Director-General, Environmental Health Department, the Ministry of the Environment, and she thus has abundant experience and broad insight regarding the health and hygiene administration in Japan and overseas and organizational management. Her advice and supervision based on the experience and insights will lead to sustainable enhancement of the Group's corporate value, and the Company has therefore nominated her again as a candidate for External Director.</p>			

- (Notes)
- There are no special interests between the candidates and the Company.
  - (1) Mr. Yukiteru Yamamoto, Mr. Kazuhiko Kashikura, Mr. Keiji Kono, Mr. Akihiko Matsuda, and Ms. Tamami Umeda are candidates for External Director.  
(2) The Company has registered Mr. Yukiteru Yamamoto, Mr. Kazuhiko Kashikura, Mr. Keiji Kono, Mr. Akihiko Matsuda, and Ms. Tamami Umeda with the Tokyo Stock Exchange as Independent Officers with no possibility of a conflict of interest occurring with general shareholders, whose designation is required by the Exchange. If they are reappointed and assume office as Directors, they will continue to be Independent Officers.
  - Number of years since candidates for External Director were appointed External Director
    - Mr. Yukiteru Yamamoto's term in office as External Director will be nine years at the conclusion of this General Meeting of Shareholders.
    - Mr. Kazuhiko Kashikura's term in office as External Director will be five years at the conclusion of this General Meeting of Shareholders.
    - Mr. Keiji Kono's term in office as External Director will be two years at the conclusion of this General Meeting of Shareholders.
    - Mr. Akihiko Matsuda's term in office as External Director will be two years at the conclusion of this General Meeting of Shareholders.
    - Ms. Tamami Umeda's term in office as External Director will be one year at the conclusion of this General Meeting of Shareholders.
  - Liability limitation agreements with candidates for Director  
The Company has entered into agreements with Mr. Yukiteru Yamamoto, Mr. Kazuhiko Kashikura, Mr. Keiji Kono, Mr. Akihiko Matsuda, and Ms. Tamami Umeda to limit their liability for damages as provided for in Article 423, Paragraph 1, of the Companies Act, and the maximum amount of liability under this agreement shall be the greater of 10 million yen or the minimum amount stipulated in laws and regulations.
  - Outline of the directors' and officers' liability insurance insuring candidates for Director  
The Company has entered into a directors' and officers' liability insurance agreement with an insurance company. The policy covers damage to be borne by the insured, which may arise from those insured persons' assuming liability in connection with the execution of their duties or receiving claims pertaining to the pursuit of such liability. All candidates

for Director will be insured under said agreement. The Company will renew said agreement under the same terms and conditions at the time of the next renewal.

**Proposal 3:** Election of 2 Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Yutaka Atomi and Toshiaki Egashira will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 2 Audit & Supervisory Board Members is proposed.

Furthermore, the Audit & Supervisory Board has given its approval to this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Yutaka Atomi (December 5, 1944)  External Independent Officer Reappointed	April 1970 Intern Doctor, First Department of Surgery, Faculty of Medicine, University of Tokyo June 1988 Visiting Researcher, Department of Surgery, University of California, San Francisco February 1989 Research Assistant, First Department of Surgery, Faculty of Medicine, University of Tokyo July 1992 Lecturer, First Department of Surgery, Faculty of Medicine, University of Tokyo October 1992 Professor, First Department of Surgery, School of Medicine, Kyorin University April 1998 Vice Director, Kyorin University Hospital April 2004 Dean, School of Medicine, Kyorin University April 2010 President, Kyorin University April 2018 President Emeritus, Kyorin University To present June 2019 External Audit & Supervisory Board Member, the Company To present <Significant concurrent position> President Emeritus, Kyorin University Outside Director, JCR Pharmaceuticals Co., Ltd.	5,200
Reason for nomination Although Mr. Yutaka Atomi does not have experience of being directly involved in corporate management, he has long been engaged in education and research at universities, having served in positions such as President of Kyorin University, and thus possesses deep insight and abundant experience regarding university management. In order to utilize his experience and insight developed through this background to audit the Company from an objective and fair standpoint, the Company has nominated him again as a candidate for External Audit & Supervisory Board Member.			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	Toshiaki Egashira (November 30, 1948)  <u>External</u> <u>Independent Officer</u> <u>Reappointed</u>	<p>April 1972      Joined Taisho Marine &amp; Fire Insurance Co., Ltd</p> <p>June 2006      Representative Director and President, Mitsui Sumitomo Insurance Company, Limited</p> <p>April 2008      Representative Director and President, Mitsui Sumitomo Insurance Group Holdings, Inc.</p> <p>April 2010      Representative Director, President &amp; CEO, MS&amp;AD Insurance Group Holdings, Inc.</p> <p>                    Representative Director, Chairman of the Board, Mitsui Sumitomo Insurance Company, Limited</p> <p>June 2014      Representative Director and Executive Officer, MS&amp;AD Insurance Group Holdings, Inc.</p> <p>April 2016      Representative Director, MS&amp;AD Insurance Group Holdings, Inc.</p> <p>                    Director, Standing Advisor, Mitsui Sumitomo Insurance Company, Limited</p> <p>June 2016      Standing Advisor, Mitsui Sumitomo Insurance Company, Limited</p> <p>June 2019      External Audit &amp; Supervisory Board Member, the Company</p> <p>                    To present</p> <p>April 2020      Special Advisor, MS&amp;AD Insurance Group Holdings, Inc.</p> <p>                    To present</p> <p>&lt;Significant concurrent positions&gt;</p> <p>                    Special Advisor, MS&amp;AD Insurance Group Holdings, Inc.</p>	2,400
<p>Reason for nomination</p> <p>Mr. Toshiaki Egashira has served in positions including Representative Director and President of Mitsui Sumitomo Insurance Company, Limited, and thus possesses abundant operational experience and wide-ranging knowledge regarding corporate management. In order to utilize his experience and insight developed through this background to audit the Company from an objective and fair standpoint, the Company has nominated him again as a candidate for External Audit &amp; Supervisory Board Member.</p>			

- (Notes) 1. Special interests between the candidates and the Company
- Mr. Yutaka Atomi is concurrently serving as President Emeritus of Kyorin University, with which the Company has transactions including a facilities construction subcontracting agreement.
- Mr. Toshiaki Egashira is concurrently serving as Special Advisor of Mitsui Sumitomo Insurance Company, Limited, with which the Company has transactions including a facilities construction subcontracting agreement and nonlife insurance agreement.
2. (1) Mr. Yutaka Atomi and Mr. Toshiaki Egashira are candidates for External Audit & Supervisory Board Member and fulfill the criteria in the Independence Standards for External Officers established by the Company, as in the most recent three fiscal years, transactions with Kyorin University and Mitsui Sumitomo Insurance Company, Limited described in the above (Note) 1. accounted for a maximum of 0.81% and 0.46% of consolidated net sales, respectively.
- (2) The Company has registered Mr. Yutaka Atomi and Mr. Toshiaki Egashira with the Tokyo Stock Exchange as Independent Officers with no possibility of a conflict of interest occurring with general shareholders, whose designation is required by the Exchange. If they are reappointed and assume office as External Audit & Supervisory Board Members, they will continue to be Independent Officers.
3. Number of years since candidates for External Audit & Supervisory Board Member were appointed External Audit & Supervisory Board Member
- Mr. Yutaka Atomi's and Mr. Toshiaki Egashira's term in office as External Audit & Supervisory Board Member will be four years at the conclusion of this General Meeting of Shareholders.
4. Liability limitation agreements with candidates for External Audit & Supervisory Board Member
- The Company has entered into agreements with Mr. Yutaka Atomi and Mr. Toshiaki Egashira to limit their liability for damages as provided for in Article 423, Paragraph 1, of the Companies Act, and the maximum amount of liability under these agreements shall be the greater of 10 million yen or the minimum amount stipulated in laws and regulations.
5. Outline of the directors' and officers' liability insurance insuring candidates for Audit & Supervisory Board Member
- The Company has entered into a directors' and officers' liability insurance agreement with an insurance company. The policy covers damage to be borne by the insured, which may arise from those insured persons' assuming liability in connection with the execution of their duties or receiving claims pertaining to the pursuit of such liability. All candidates for Audit & Supervisory Board Member will be insured under said agreement. The Company will renew said agreement under the same terms and conditions at the time of the next renewal.

**Proposal 5:** Election of 1 Substitute Audit & Supervisory Board Member

In order to prepare for cases where the number of Audit & Supervisory Board Members falls below prescribed by laws and regulations, the Company proposes the election of one substitute Audit & Supervisory Board Member.

Furthermore, the Audit & Supervisory Board has given its approval to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
<p>Toshio Suzuki (April 18, 1957)</p> <p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">External</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span>  <span style="border: 1px solid black; padding: 2px;">Reappointed</span> </p>	<p>September 1985    Joined Asahi Shinwa Audit Corporation  August 1988       Registered as certified public accountant  May 2000          Partner, Asahi Audit Corporation  May 2005          Senior Partner, KPMG AZSA LLC  June 2019         Retired from KPMG AZSA LLC  July 2019         Established Suzuki Toshio Certified Public Accountant Office  To present</p> <p>&lt;Significant concurrent position&gt;  Certified public accountant (Suzuki Toshio Certified Public Accountant Office)</p>	<p>None</p>
<p>Reason for nomination  Although Mr. Toshio Suzuki does not have experience of being directly involved in corporate management, in order to utilize his expertise and experience, etc. developed as a certified public accountant to strengthen the audit systems of the Company, the Company has nominated him as a candidate for substitute External Audit &amp; Supervisory Board Member.</p>		

- (Notes)
1. There are no special interests between the candidate and the Company.
  2. (1) The candidate is a candidate for substitute External Audit & Supervisory Board Member.  
(2) If Mr. Toshio Suzuki assumes office as Audit & Supervisory Board Member, the Company intends to register him with the Tokyo Stock Exchange as Independent Officer with no possibility of a conflict of interest occurring with general shareholders, whose designation is required by the Exchange.
  3. Liability limitation agreement with the candidate for substitute External Audit & Supervisory Board Member  
If Mr. Toshio Suzuki is appointed as Audit & Supervisory Board Member, the Company intends to enter into an agreement with him to limit his liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, and the maximum amount of liability under this agreement shall be the greater of 10 million yen or the minimum amount stipulated in laws and regulations.
  4. Outline of the directors' and officers' liability insurance insuring the candidate for substitute Audit & Supervisory Board Member  
The Company has entered into a directors' and officers' liability insurance agreement with an insurance company. The policy covers damage to be borne by the insured, which may arise from those insured persons' assuming liability in connection with the execution of their duties or receiving claims pertaining to the pursuit of such liability. The candidate for substitute Audit & Supervisory Board Member will be insured under said agreement. The Company will renew said agreement under the same terms and conditions at the time of the next renewal.



<Reference>

[Policy on nomination of a candidate for Director and Audit & Supervisory Board Member]

The Company established the “Sanki Engineering Corporate Governance Guidelines” and stipulated a policy about nomination of a candidate for Director and Audit & Supervisory Board Member as follows.

#### 1. Candidates for Director

(Policy on nomination of candidates for Director)

- (1) The Board of Directors shall nominate as a candidate for Director a person who is expected to fulfill the role of a Director and the Board of Directors based on the skills that he/she should possess.
- (2) The Board of Directors shall nominate as a candidate for External Director a person who is expected to provide advice from an independent and objective standpoint, and appoint at least one independent Outside Director who has management experience as a top executive at another company.
- (3) If any Director becomes unable to fulfill his/her duties as the Director of the Company for health or medical reasons or causes any damage to the corporate value of the Company due to nonfulfillment of his/her duties, an agenda regarding the dismissal of the Director shall be deliberated by the Board of Directors through examination by the Advisory Committee on Nomination and Remuneration.

(Roles of Directors and the Board of Directors)

- (1) Directors and the Board of Directors shall make effort to realize sustainable growth and enhance corporate value over the medium to long term as entrusted by the shareholders by realizing efficient and effective corporate governance, conducting important decision-making of the Company, and supervising execution of duties.
- (2) Directors and the Board of Directors shall make effort to properly build and establish internal control systems, risk management systems and compliance structures throughout all Group companies, monitor the operational status utilizing the Internal Audit Department, and make information disclosure in a timely and appropriate manner.
- (3) The Board of Directors shall supervise the state of progress regarding election of a successor to the chief executive officer whenever necessary.
- (4) The Board of Directors shall establish procedures on transactions with conflicts of interest and deliberate and approve transactions.

#### 2. Candidates for Audit & Supervisory Board Member

(Policy on nomination of candidates for Audit & Supervisory Board Member)

- (1) The Board of Directors shall nominate as a candidate for Audit & Supervisory Board Member a person who has excellent insight and high ethics and is expected to fulfill the role of an Audit & Supervisory Board Member as listed below, subject to prior consent from the Audit & Supervisory Board.
- (2) The Board of Directors shall nominate as a candidate for External Audit & Supervisory Board Member a person who is expected to provide advice from an independent and objective standpoint in addition to qualifications listed in the preceding paragraph.
- (3) The Board of Directors shall make effort to nominate as a candidate for Audit & Supervisory Board Member at least one person who has appropriate knowledge regarding finance and accounting.

(Roles of Audit & Supervisory Board Members)

Audit & Supervisory Board Members who shall play a part of supervision functions in cooperation with the Board of Directors shall make efforts to realize sound and sustainable growth and enhancement of corporate value over the medium to long term, and establish a superior corporate governance structure that can respond to social trust, while maintaining appropriate cooperation with stakeholders by auditing the execution of duties of Directors as an independent organization entrusted by the shareholders.

[Independence Standards for External Officers]

The Company established the “Independence Standards for External Officers” and designates those not applicable to all of categories listed below as an Independent Officer.

1. A person whose major business partner (Note 1) is the Company or an executive person (Note 2) of the same if such person is a juridical person, etc. (Note 3).
2. A major business partner (Note 1) of the Company or a major lender (Note 4) of the Company or an executive person (Note 2) of the same if such person is a juridical person, etc. (Note 3).
3. A consultant, accounting professional, or legal professional who receives a significant amount of money or other assets (Note 5) from the Company other than Officer remuneration.
4. A person who has fallen under any of items 1 to 3 above in a recent period (Note 6)
5. A relative within the second degree of relationship of a person who falls under any of items (a) to (d) below (excluding a person with whom relationship was dissolved due to a divorce, dissolution, etc.).
  - (a) A person who falls under any of items 1 to 4.
  - (b) An executive person (Note 3) of the Company’s subsidiary
  - (c) A Non-executive Director of the Company’s subsidiary (in the case that an External Audit & Supervisory Board Member is nominated as an Independent Officer)
  - (d) A person who has fallen under the preceding (b) or (c) or an executive person (Note 3) of the Company in a recent period (Note 6)
6. A major shareholder of the Company holding 10% or more of the Company’s total shares for three or more consecutive years in a recent period (Note 6) or an executive person (Note 2) of the same if such person is a juridical person, etc. (Note 3).

(Note 1) A “Major business partner” refers to a business partner with which the Company has transactions corresponding to, in principle, 3% or more of annual consolidated sales of the Company for three or more consecutive years (3% of annual consolidated sales is approximately 5,725 million yen in fiscal 2022)

(Note 2) An “executive person” refers to an Executive Director or employee in the General Manager position or equivalent managerial position and other equally important position

(Note 3) A “juridical person, etc.” refers to a juridical person or any organization other than a juridical person (including agricultural cooperatives and management associations)

(Note 4) A “major lender” refers to a lender from which the balance of loans as of the end of each fiscal year is, in principle, 2% or more of the consolidated total assets of the Company on the same day for three or more consecutive years (2% of the consolidated total asset is approximately 3,446 million yen in fiscal 2022)

(Note 5) A “significant amount of money or other assets” refers to that with a value equivalent to a cash amount of 10 million yen or more per annum

(Note 6) A “recent period” refers to a five-year period before the time point in which the election proposal to be submitted to the shareholder’s meeting is determined

[Skills, career, and expertise held by the members of the Board of Directors and the Audit & Supervisory Board (Note 1)]

The Company identifies skills which the Company expects the members of the Board of Directors to demonstrate in light of the management strategies, and the Board of Directors consists of diverse human resources that can cover these skills. If Proposal 2 “Election of 11 Directors” and Proposal 3 “Election of 2 Audit & Supervisory Board Members” are approved as originally proposed, the status shall be as follows.

○: Internal, ●: External

Items	Number of members
Management experience (Note 2)	○○●●●●●●●●
Engineering	○○○○○○●
R&D	○
Global	○○●
Finance & capital markets	○○●●●●●
Risk management	○○○●●
Governance	○○○●●
Legal	●

Note 1: Indicates two to three skill items with particular strengths

Note 2: Experience of top management of an organization such as chairperson, president, executive director, dean, etc.