

[Translation: For reference only]

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

## **Sanwa Holdings Corporation**

(Stock Code: 5929)

June 3, 2025

1-1, Nishi-Shinjuku 2-Chome,  
Shinjuku-ku, Tokyo, Japan

Yasushi Takayama  
Representative Director, President

### **Convocation Notice of The 90th Ordinary General Meeting of Shareholders**

To Our Shareholders;

We hereby would like to appreciate your constant and deep consideration to Sanwa Holdings Corporation (the “Company”).

The 90th Ordinary General Meeting of Shareholders of the Company (the “Meeting”) will be held as described below, and you are cordially notified of the Meeting.

If you choose not to attend the Meeting, you may exercise your voting rights either via the Internet, etc. or in writing (by mail). We ask you to exercise your voting rights no later than 5:15 p.m. on Tuesday, June 24, 2025 after carefully reading the Reference Documents for General Meeting of Shareholders.

#### **Recitals**

**1. Date and Time:** Wednesday, June 25, 2025 at 10:00 a.m.  
(Reception begins at 9:00 a.m.)

**2. Place:** **NS Sky-Conference Room 1, Shinjuku NS Building, 30th floor**  
4-1, Nishi-Shinjuku 2-Chome, Shinjuku-ku, Tokyo

#### **3. Agenda of the Meeting:**

##### **Matters to be Reported:**

1. Report on the Business Report, the Consolidated Financial Statements, and the Audit Reports of the Accounting Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements, for the 90th Term (from April 1, 2024 to March 31, 2025).

[Translation: For reference only]

2. Report on the Non-Consolidated Financial Statements for the 90th Term (from April 1, 2024 to March 31, 2025).

**Matters to be Resolved:**

- |             |  |
|-------------|--|
| Proposal 1: | Appropriation of Surplus   |
| Proposal 2: | Election of Six Directors (Excluding Directors Serving as Audit and Supervisory Committee Members) |
| Proposal 3: | Election of Two Directors Serving as Audit and Supervisory Committee Members                       |
| Proposal 4: | Revision of Compensation Amount for Directors Serving as Audit and Supervisory Committee Members   |

■ Matters for which measures for providing information in electronic format are to be taken

When convening the Meeting, the Company takes measures for providing in electronic format the information that constitutes the content of Reference Documents for General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken). This information is posted on each of the following websites, so please access either of those websites to confirm the information. The Company's website:

[https://www.sanwa-hldgs.co.jp/ir/stock\\_info/meeting.html](https://www.sanwa-hldgs.co.jp/ir/stock_info/meeting.html) (in Japanese)

Website for posted informational materials for the Meeting:

<https://d.sokai.jp/5929/teiji/> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter "Sanwa Holdings Corporation" in "Issue name (company name)" or the Company's securities code "5929" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

- ◎ If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the above mentioned websites.

**Website for Exercising Voting Rights**

<https://evote.tr.mufg.jp/> (in Japanese)

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Materials

#### Proposal 1: Appropriation of Surplus

We consider the appropriate return of profits to shareholders as an important management issue, and that stable dividends will meet the needs of our shareholders, taking into account our business performance in each fiscal year, the dividend payout ratio based on profits, and future management policies. Concretely, we aim to pay stable dividends on the profit attributable to owners of the parent company, with a target payout ratio of 40%.

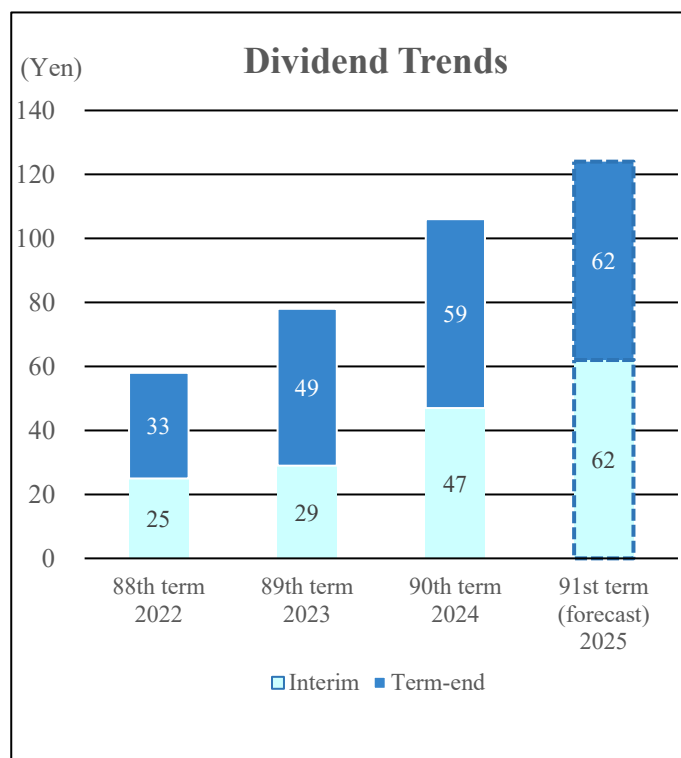
By giving consideration to business performance and future business development, among others, the term-end dividend for the fiscal year under review is proposed to be ¥59 per share, as detailed below.

- (1) Type of dividend assets  
Cash
- (2) Items relating to the allocation of dividend assets to shareholders and its total amount  
¥59 per share of common stock  
Total ¥12,675,505,838  
(¥106 per annum adding paid interim dividend ¥47 per share)
- (3) Effective date of payment of dividend from surplus  
June 26, 2025

[Reference: Dividend trends]

	88th term	89th term	90th term	91st term (forecast)
Interim dividend/share	¥25	¥29	¥47	¥62
Term-end dividend/share	¥33	¥49	¥59	¥62
Annual dividend/share	¥58	¥78	¥106	¥124
Profit attributable to owners of parent/share	¥149.70	¥196.03	¥264.61	¥270.70
Payout ratio	38.7%	39.8%	40.1%	45.8%
DOE	—	—	—	8.0%

\*Our dividend policy after fiscal year 2025 is to implement dividends based on a target dividend on equity ratio (DOE) of 8%.



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**Proposal 2:** Election of Six Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

At the close of the Meeting, all six Directors (excluding Directors serving as Audit and Supervisory Committee Members; the same shall apply throughout this proposal) will resign due to the expiration of their terms of office.

We therefore propose the election of six Directors.

For this proposal, the Audit and Supervisory Committee of the Company has determined that every candidate is appropriate to be a Director of the Company.

The candidates for Director are as follows:


Candidate No.		Name	Position in the Company	
1	Male	Yasushi Takayama	Representative Director, President Executive Officer, President	Reelection
2	Male	Hiroyuki Yamazaki	Director Senior Managing Executive Officer	Reelection
3	Male	Toshiaki Doba	Director Senior Managing Executive Officer	Reelection
4	Male	Meiji Takayama	Director	Reelection
5	Male	Masanaka Yokota	Director	Reelection Outside Independent
6	Female	Hiroko Ishimura	Director	Reelection Outside Independent

Reelection: candidate for Director to be reelected


Outside: candidate for Outside Director

Independent: independent officer as provided for by the securities exchange

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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned
1	 <p>Yasushi Takayama (February 3, 1971)</p> <p>Reelection</p>	<p>October 2006      Joined the Company</p> <p>April 2008      General Manager of TCR Dept.</p> <p>April 2009      General Manager of Structural Reform Dept.</p> <p>April 2010      Director, Senior Executive Officer, Sanwa Shutter Corporation</p> <p>April 2010      Responsible for Group Function, Sanwa Shutter Corporation</p> <p>April 2011      Senior Executive Officer, the Company</p> <p>April 2011      Assistant Director of Overseas Business Unit</p> <p>April 2012      Senior Managing Executive Officer</p> <p>April 2012      Responsible for Corporate Planning Unit</p> <p>June 2012      Director</p> <p>April 2016      Executive Officer, Vice President</p> <p>April 2016      Deputy President</p> <p>April 2017      COO</p> <p><b>April 2017      Representative Director, President (present post)</b></p> <p>April 2019      Representative Director, Chairman of the Board, Sanwa Shutter Corporation</p> <p><b>April 2020      Executive Officer, President (present post)</b> (Important concurrent positions) Director, Sanwa USA Inc. Director, Overhead Door Corporation Director, Novoferm Germany GmbH.</p> <p>Number of years in office      13 years</p> <p>Attendance at Board of Directors meetings      100%</p>	181,803 shares
<p>(Reasons for selecting the candidate)</p> <p>Since joining the Company in 2006, Mr. Yasushi Takayama has served in important positions, including General Manager of Total Cost Reduction (TCR) Dept. and General Manager of Structural Reform Dept., where he promoted a wide range of management reforms throughout the Company Group. After assuming office as President in 2017, he has promoted global group management both in Japan and overseas, laying the foundation for the Company to become a major global player. Based on his extensive experience and track record, the Company has determined that he remains qualified to be a Director.</p>			

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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)		Number of the Company's shares owned
2	  Hiroyuki Yamazaki (February 3, 1961)  Reelection	April 1983	Joined Sumitomo Corporation	30,080 shares
		December 1995	Vice President, Phoenixcore, Inc. (USA)	
		January 1999	General Manager of Machinery Department, Chicago Office, Sumitomo Corporation of America	
		June 2009	Director (Outside), CSK Holdings Corporation	
		April 2010	Executive Officer, Sumisho Computer Systems Corporation	
		April 2016	Representative Director, Executive Vice President, SCSK Corporation	
		September 2017	Joined the Company	
		April 2018	Senior Executive Officer Subleader of Corporate Planning Unit (Concurrent) General Manager of Corporate Planning Dept.	
		April 2020	Responsible for Corporate Planning Unit (present post)	
		June 2020	Director (present post)	
April 2024	Senior Managing Executive Officer (present post)			
April 2024	Director, Sanwa Shutter Corporation (present post) (Important concurrent positions) Director, Sanwa Shutter Corporation Director, Overhead Door Corporation Director, Novoferm Germany GmbH.			
Number of years in office			5 years	
Attendance at Board of Directors meetings		100%		
(Reasons for selecting the candidate) Mr. Hiroyuki Yamazaki held important positions at a trading company, a system development company, and other organizations before joining the Company in 2017. At the Company, he has contributed to the growth of the Company Group both on the attacking and defensive aspects, by utilizing his extensive experience and acumen to promote management strategy and global personnel strategy, as well as strengthen risk management and so forth. Based on his experience and acumen, the Company has determined that he remains qualified to be a Director.				

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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)		Number of the Company's shares owned	
3	  Toshiaki Doba (July 26, 1961)  Reelection	April 1985	Joined ITOCHU Corporation	19,386 shares	
		April 2000	Joined Johnson & Johnson K.K.		
		April 2007	General Manager of Corporate Planning Dept., Accounting and Finance Div., Medical Company, Johnson & Johnson K.K.		
		July 2008	CFO, Consumer Company, Johnson & Johnson K.K.		
		November 2010	Head of Distribution Strategy Div. (Senior Director), Medical Company, Johnson & Johnson K.K.		
		April 2014	Joined the Company		
		April 2015	General Manager of Strategic Re-Engineering Dept.		
		April 2016	Executive Officer Head of Americas Business, Europe and Americas Business Unit		
		April 2019	Senior Executive Officer		
		April 2020	Head of Europe and Americas Business		
		April 2021	Subleader of Global Business Unit		
		January 2022	(Concurrent) General Manager of Global R&D Dept.		
		April 2022	<b>Responsible for Global Business Unit (present post)</b> (Concurrent) General Manager of R&D Dept.		
		June 2022	<b>Director (present post)</b> (Concurrent) Head of Americas Business		
		April 2023	(Concurrent) Head of Americas Business		
		October 2023	(Concurrent) Head of Asia Business		
		April 2024	<b>Senior Managing Executive Officer (present post)</b> (Important concurrent positions) Director, Overhead Door Corporation Director, Novoferm Germany GmbH.		
		Number of years in office			3 years
		Attendance at Board of Directors meetings			100%


(Reasons for selecting the candidate)  
After holding important positions at a trading company and a foreign-owned enterprise, Mr. Toshiaki Doba joined the Company in 2014. At the Company, he has been mainly involved with the Americas Business, making a substantial contribution to expanding the sales of the US subsidiary and improving its profitability. From 2022, he was responsible for Global Business Unit, where he led the Company's business strategy in Europe and Asia, as well as the Americas, contributing to the growth of the Company's global business. Based on his experience and track record, the Company has determined that he remains qualified to be a Director.

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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)		Number of the Company's shares owned
4	  Meiji Takayama (August 27, 1973)  Reelection	October 2006	Joined the Company	109,780 shares
		April 2009	General Manager of Sales Promotion Dept., Building Business Div., Sanwa Shutter Corporation	
		April 2010	Executive Officer, General Manager of Corporate Sales Dept., Building Materials Div., Sanwa Shutter Corporation	
		April 2011	Director, Sanwa Shutter Corporation	
		April 2011	Senior Executive Officer, Head of Building Materials Div., Sanwa Shutter Corporation	
		April 2012	Senior Executive Managing Officer, Head of Building Materials Div., Sanwa Shutter Corporation	
		April 2013	Senior Managing Executive Officer, Head of Sales Development Div., Sanwa Shutter Corporation	
		April 2014	Senior Managing Executive Officer, Head of Business Strategy Div., Sanwa Shutter Corporation	
		April 2016	Representative Director, Sanwa Shutter Corporation	
		April 2016	Executive Officer, Vice President (Concurrent) Deputy President, Sanwa Shutter Corporation	
		<b>April 2017</b>	<b>Representative Director, President, Sanwa Shutter Corporation (present post)</b>	
		<b>April 2017</b>	<b>Chief Executive Officer, Sanwa Shutter Corporation (present post)</b>	
		<b>June 2017</b>	<b>Director, the Company (present post)</b>	
		(Important concurrent positions)		
		Representative Director, President and Chief Executive Officer, Sanwa Shutter Corporation		
		Number of years in office		8 years
		Attendance at Board of Directors meetings		100%
(Reasons for selecting the candidate)				
Mr. Meiji Takayama held important positions at Sanwa Shutter Corporation, the core business company of the Company Group, such as General Manager of Sales Promotion Dept. and Head of Building Materials Div., before assuming office as Representative Director, President of that company in 2017. Based on his experience and knowledge of the field of construction and the construction materials industry, he has driven the domestic business and contributed to the development of the Company Group. Based on his experience and strong leadership, the Company has determined that he remains qualified to be a Director.				



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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned
5	  Masanaka Yokota (January 5, 1955)  Reelection Outside Independent	June 2003      Director, JMA Consultants Inc. January 2009    President, JMAC China June 2013      Managing Director, JMA Consultants Inc. April 2015      President, JMAC Europe S.p.A <b>June 2020      Standing Advisor, JMA Consultants Inc. (present post)</b> <b>June 2020      Outside Director, the Company (present post)</b> (Important concurrent positions) Standing Advisor, JMA Consultants Inc.	6,300 shares
		Number of years in office      5 years	
		Attendance at Board of Directors meetings      100%	
		(Reasons for selecting the candidate and overview of expected role) As a consultant for many years at JMA Consultants Inc., Mr. Masanaka Yokota provided advice and guidance for improvements and reforms in areas such as management strategy, production & manufacturing, and personnel development. Since he assumed office as Outside Director in 2020, he has utilized his experience as a consultant and as the president of an overseas subsidiary, etc. to provide advice and suggestions on management as a whole, while also providing impartial opinions as a member of the Nomination and Compensation Committee. The Company expects him to utilize these extensive experience and knowledge to continue to provide supervision and advice in relation to the execution of duties by Directors of the Company.	

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Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned
6	 Hiroko Ishimura (August 2, 1955)  Reelection Outside Independent	April 1978      Joined The Mitsubishi Bank, Ltd. April 1991      Joined Cincom Systems Japan Ltd. April 1996      Marketing Manager, Cincom Systems Japan Ltd. April 1998      Sales Manager, East Japan Sales Department, Cincom Systems Japan Ltd. January 2000    Managing Director, Cincom Systems Japan Ltd. April 2008      Representative Director, Cincom Systems Japan Ltd. February 2021   Executive Advisor, Cincom Systems Japan Ltd. <b>June 2022      Outside Director, the Company (present post)</b>	1,000 shares
		Number of years in office      3 years	
		Attendance at Board of Directors meetings      100%	
(Reasons for selecting the candidate and overview of expected role) After first being employed by The Mitsubishi Bank, Ltd., Ms. Hiroko Ishimura joined Cincom Systems Japan Ltd. in 1991, where she held important positions, including those of Marketing Manager, Managing Director, and Representative Director. Since she assumed office as Outside Director of the Company in 2022, she has utilized her deep knowledge of solving business problems using IT and digital technologies, etc. and extensive experience as a corporate manager to provide advice and suggestions on management as a whole. The Company expects her to utilize these deep knowledge and extensive experience to continue to provide supervision and advice in relation to the execution of duties by Directors of the Company.			

#### Notes:

1. None of the candidates for Director has any special interest with the Company.
2. Candidates for Director are selected based on the standard of having capabilities, knowledge, and experience required for monitoring and supervising corporate management from a global perspective and making important decisions related to business. The selection process sees the Nomination and Compensation Committee deliberate on ensuring diversity in the Board of Directors, including not only gender and other kinds of diversity, but also foreign Directors as a global company. The Audit and Supervisory Committee then examines the candidates before the Board of Directors makes a final decision on the candidates after deliberations.
3. Mr. Masanaka Yokota is a candidate for Outside Director. The Company has submitted to Tokyo Stock Exchange, Inc. (hereinafter referred to as the "Tokyo Stock Exchange") an Independent Officer List which states his name as an independent officer. He fulfills the Independence Criteria for the Company's Outside Officers, in addition to the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If he is reelected, the Company plans to continue to submit the List of his appointment as an independent officer. The Company Group has also no business relationship with the company where he concurrently serves. Moreover, concerning transactions between the Company Group and the corporate group where he concurrently serves, the average transaction amount for the past three fiscal years was less than 1% of the annual consolidated net sales of each of the groups, and the Company has determined that he has no special conflict of interest with ordinary shareholders.
4. Ms. Hiroko Ishimura is a candidate for Outside Director. The Company has submitted to the Tokyo Stock Exchange an Independent Officer List which states her name as an independent officer. She fulfills the Independence Criteria for the Company's Outside Officers, in addition to the requirements for an

independent officer as provided for by the Tokyo Stock Exchange. If she is reelected, the Company plans to continue to submit the List of her appointment as an independent officer.

5. In order to invite skillful persons as Director for enhancement of corporate governance of the Company, in Article 29 of the Articles of Incorporation of the Company, the Company establishes that it may enter into a limited liability agreement with Directors, excluding persons who are Executive Directors, etc. The Company has entered into a limited liability agreement with Mr. Masanaka Yokota and Ms. Hiroko Ishimura such that the liability amount related to Article 423, paragraph (1) of the Companies Act shall be limited within the amount stipulated by laws and regulations, in accordance with Article 427, paragraph (1) of the same Act and Article 29 of the Articles of Incorporation of the Company. If they are reelected, the Company plans to continue the same limited liability agreement with them.
6. In accordance with Article 430-3, paragraph (1) of the Companies Act, the Company has concluded a directors and officers liability insurance policy with an insurance company. The insureds under this policy are Directors, Directors serving as Audit and Supervisory Committee Members, and Executive Officers, and we plan to renew this policy in October 2025. If each candidate for Director is elected, they will become an insured under the insurance policy.

- 1) Outline of insurance items covered

The policy covers amount of indemnification, litigation expenses, etc. that may arise from the insured's assumption of liability incurred in the course of the performance of duties as an officer or a person at a certain position, or receipt of claims pertaining to the pursuit of the said liability. However, to avoid impairing the appropriateness of the insured's performance of duties, the policy does not provide indemnity in the case where the insured has caused damage to the Company intentionally or negligently, or through actions that violate the insured's duty or actions that violate laws, regulations, the Articles of Incorporation, or internal rules.

- 2) Insurance premiums

The full amount of the insurance premiums is borne by the Company.

**Proposal 3:** Election of Two Directors Serving as Audit and Supervisory Committee Members



As Mr. Teiko Zaima, Director serving as an Audit and Supervisory Committee Member, will resign at the conclusion of the Meeting, due to his resignation, the Company proposes the election of one Director serving as an Audit and Supervisory Committee Member (Candidate No. 1: Mr. Naoto Yamaoka) as his substitute. As provided for in the Company's Articles of Incorporation, the term of office of the elected Substitute Director serving as an Audit and Supervisory Committee Member will be until the expiration date of the resigning Director serving as an Audit and Supervisory Committee Member.

In addition, the Company will increase the number of Directors serving as Audit and Supervisory Committee Members by one to enhance corporate governance of the Board of Directors, and it proposes the election of one Director serving as an Audit and Supervisory Committee Member (Candidate No. 2: Michael Morizumi).

Furthermore, the Audit and Supervisory Committee have consented to this proposal.

The candidates for Director serving as Audit and Supervisory Committee Member are as follows:

Candidate No.		Name	Position in the Company	
1	Male	Naoto Yamaoka	—	New election
2	Male	Michael Morizumi	—	New election Outside Independent
New election		candidate for Director to be newly elected		
Outside		candidate for Outside Director		
Independent:		independent officer as provided for by the securities exchange		

Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)		Number of the Company's shares owned
1	 <p>Naoto Yamaoka (August 21, 1958)</p> <p>New election</p>	<p>March 1989      Joined the Company</p> <p>April 2013      General Manager of Human Resources and General Affairs Dept., Sanwa Shutter Corporation</p> <p>March 2017      Executive Officer, Sanwa Shutter Corporation</p> <p>April 2021      Senior Executive Officer, Sanwa Shutter Corporation</p> <p>June 2023      Corporate Auditor, Sanwa Shutter Corporation (present post)</p> <p>(Important concurrent positions)</p> <p>Corporate Auditor, Sanwa Shutter Corporation</p> <p>Part-time Corporate Auditor, Suzuki Shutter Corporation</p> <p>Part-time Corporate Auditor, Sanwa Tajima Corporation</p> <p>Part-time Corporate Auditor, Sanwa Facade Laboratory Corporation</p> <p>Part-time Corporate Auditor, Tajima Metalwork Co., Ltd.</p> <p>Part-time Corporate Auditor, Okinawa Sanwa Shutter Corporation</p>		1,800 shares
		Number of years in office	-	
		Attendance at Board of Directors meetings	-	
<p>(Reasons for selecting the candidate)</p> <p>Mr. Naoto Yamaoka held important positions at Sanwa Shutter Corporation, the core business company of the Company Group, such as General Manager of Human Resources and General Affairs Dept. and Senior Executive Officer, before assuming office as Corporate Auditor of that company in 2023. He possesses many years of experience in human resources, labor, human resource development, and general affairs operations, as well as broad knowledge of the Company Group's business. Based on his extensive experience, the Company expects him to provide appropriate opinions and advice, and has determined that he is qualified to be a Director serving as Audit and Supervisory Committee Member.</p>				
2	 <p>Michael Morizumi (November 9, 1959)</p> <p>New election Outside Independent</p>	<p>May 1987      Joined Merrill Lynch Securities</p> <p>April 1990      Joined Lehman Brothers Japan Incorporated</p> <p>June 1993      Joined Barings Securities Japan Ltd.</p> <p>August 1995      Joined Merrill Lynch Securities</p> <p>June 2000      Joined UBS Warburg Securities Ltd.</p> <p>July 2002      Representative Director, Pacific IR (present post)</p> <p>December 2009      Outside Auditor, Asrapport Dining Co., Ltd.</p> <p>June 2016      Outside Director, YONEX CO., LTD. (present post)</p> <p>January 2022      Corporate Auditor, Yaesu Musen Co., Ltd. (present post)</p> <p>(Important concurrent positions)</p> <p>Outside Director, YONEX CO., LTD.</p> <p>Representative Director, Pacific IR</p>		-
		Number of years in office	-	
		Attendance at Board of Directors meetings	-	
<p>(Reasons for selecting the candidate and overview of expected role)</p> <p>Mr. Michael Morizumi has knowledge of corporate analysis, investment decisions, and finance and accounting from his many years of experience as a securities analyst, as well as extensive knowledge of domestic and international corporate management from his experience as a representative of Pacific IR. When he assumes office as Director serving as Audit and Supervisory Committee Member, the Company expects him to utilize his experience, knowledge, and global perspective and to provide appropriate supervision of execution of business by the Company.</p>				

**Notes:**

1. None of the candidates has any special interest with the Company.
2. Mr. Michael Morizumi is a candidate for Outside Director serving as Audit and Supervisory Committee Member.
3. Mr. Michael Morizumi fulfills the Independence Criteria for the Company's Outside Officers, in addition to the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If he assumes office as Director serving as Audit and Supervisory Committee Member, the Company plans to submit the List of his appointment as an independent officer.
4. In order to invite skillful persons as Director for enhancement of corporate governance of the Company, in Article 29 of the Articles of Incorporation of the Company, the Company establishes that it may enter into a limited liability agreement with Directors, excluding persons who are Executive Directors, etc. If Mr. Naoto Yamaoka and Mr. Michael Morizumi assume office as Directors serving as Audit and Supervisory Committee Members, the Company plans to enter into a limited liability agreement with them such that the liability amount related to Article 423, paragraph (1) of the Companies Act shall be limited within the amount stipulated by laws and regulations, in accordance with Article 427, paragraph (1) of the same Act and Article 29 of the Articles of Incorporation of the Company.
5. In accordance with Article 430-3, paragraph (1) of the Companies Act, the Company has concluded a directors and officers liability insurance policy with an insurance company. The insureds under this policy are Directors, Directors serving as Audit and Supervisory Committee Members, and Executive Officers, and we plan to renew this policy in October 2025. If each candidate for Director serving as Audit and Supervisory Committee Member is elected, they will be an insured under the insurance policy.
  - 1) Outline of insurance items covered

The policy covers amount of indemnification, litigation expenses, etc. that may arise from the insured's assumption of liability incurred in the course of the performance of duties as an officer or a person at a certain position, or receipt of claims pertaining to the pursuit of the said liability. However, to avoid impairing the appropriateness of the insured's performance of duties, the policy does not provide indemnity in the case where the insured has caused damage to the Company intentionally or negligently, or through actions that violate the insured's duty or actions that violate laws, regulations, the Articles of Incorporation, or internal rules.
  - 2) Insurance premiums

The full amount of the insurance premiums is borne by the Company.

**Proposal 4:** Revision of Compensation Amount for Directors Serving as Audit and Supervisory Committee Members

The compensation amount for Directors serving as Audit and Supervisory Committee Members of the Company was resolved to be within ¥100 million per year at the 81st Ordinary General Meeting of Shareholders held on June 28, 2016, which remains in effect to date. However, in order to strengthen corporate governance by the Board of Directors and in connection with the proposal to increase the number of Directors serving as Audit and Supervisory Committee Members by one in Proposal 3, the Company proposes to revise the total amount of compensation for Directors serving as Audit and Supervisory Committee Members to be within ¥150 million per year.

In light of the aforementioned reasons and the responsibilities of Directors serving as Audit and Supervisory Committee Members, we have determined that the amount of compensation for this proposal is reasonable.

Currently, there are three Directors serving as Audit and Supervisory Committee Members. If Proposal 3 is approved and adopted as originally proposed, the number of Directors serving as Audit and Supervisory Committee Members will be four.

[Translation: For reference only]

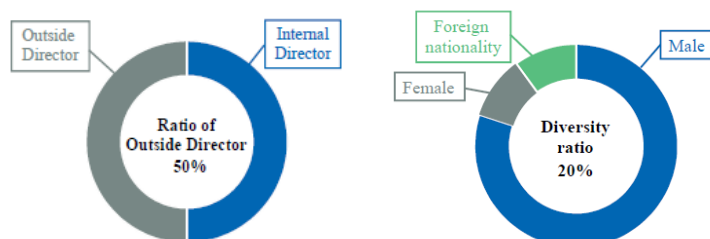
## Skill Matrix of the Board of Directors

The Board of Directors of the Company has as its standard the possession of the following skills, knowledge, experience, etc., the make-up of Board of Directors consists of abundantly diverse personnel, including corporate managers, persons with overseas business experience, those with knowledge of finance and accounting, specialists in legal affairs.

If the candidates indicated on this Notice are elected as originally proposed, the composition of the Board of Directors will be as follows:

Candidate No.	Name	Skill item (abilities, knowledge, experience, etc. expected by the Company)										Diversity	
		Corporate management	Industry knowledge Industry experience	Global experience	Sales Marketing	Manufacturing and engineering Development and quality assurance	IT Digital	Finance and accounting Monetary	Personnel and labor Personnel development	Legal affairs Risk management Compliance	Foreign nationality	Female	
Directors (excluding Supervisory Committee Members)	1 Yasushi Takayama	○	○				○	○	○	○			
	2 Hiroyuki Yamazaki	○		○			○	○	○	○			
	3 Toshiaki Doba	○	○	○	○			○					
	4 Meiji Takayama	○	○		○	○		○	○				
	5 Masanaka Yokota	Outside	○	○		○			○				
		Independent											
6 Hiroko Ishimura	Outside	○		○	○		○					○	
	Independent												
Directors serving as Audit and Supervisory Committee Members	— Tsunekatsu Yonezawa	Outside	○	○	○	○							
		Independent											
	1 Naoto Yamaoka		○					○	○	○			
	— Akira Gokita	Outside						○	○	○			
		Independent											
2 Michael Morizumi	Outside	○		○				○			○		
		Independent											

Note: The above matrix does not indicate all skills, knowledge, experience, etc. possessed by the Directors.





## Independence Criteria for Outside Officers

Sanwa Holdings Corporation (hereinafter referred to as the “Company”) stipulates the independence criteria for Outside Officers (Outside Directors) as follows, and in the event that an Outside Officer does not fall under any of the following items, the Outside Officer possesses independence from the Company, and it is determined that no conflict of interest with general shareholders will arise.

- 1) A party who is or was executive director, executive officer, or other staff member or employee (hereinafter referred to collectively as “Business Executive”) in the Company Group (\*1).
- 2) A party who holds the Company Group to be a major trading partner (\*2), or a Business Executive thereof.
- 3) A party who is a major transaction partner of the Company Group (\*3), or a Business Executive thereof.
- 4) A consultant, certified public accountant, or legal specialist who is receiving large amounts of money or other assets (\*4), excluding officer compensation, from the Company Group (In the case that the party receiving said assets is an organization such as a corporation or association, then persons who belong to the organization in question).
- 5) Persons belonging to an auditing firm that conducts legal audits of the Company Group.
- 6) Parties who receive donations or grants (\*5) that exceed a certain amount from the Company Group (in the event that the party receiving the donations or grants in question is an organization such as a corporation or association, a Business Executive in the organization in question).
- 7) A Business Executive at a major financial institution that is a lender of the Company Group (\*6), or its parent company or subsidiary.
- 8) A major shareholder (\*7) of the Company Group, or in the event that said major shareholder is a corporation, a Business Executive at the corporation in question.
- 9) Persons who have fallen under items 2) through 8) above within the past three years.
- 10) Close relations, etc., (\*9) of persons falling under 1) through 9) above (restricted to parties in an important position (\*8)).
- 11) Even in the event that a person falls under 1) through 10) above, in light of the person’s character, acumen, etc., with regard to persons who have been determined to have independence, it is possible that they will become an independent officer of the Company if, at the time of Outside Officer election, the reasons for which are explained and revealed.

- \*1 The Company Group refers to the Company and associated companies (subsidiaries and affiliate companies).
- \*2 A party who holds the Company Group to be a major trading partner refers to a transaction partner group that provides products or services to the Company Group (refers to direct transaction partners, their parent companies and subsidiaries, and corporate groups that consist of the subsidiaries of the parent companies in question. The same applies below), and the average transaction amount for the past three fiscal years exceeds 2% of the group in question’s annual consolidated net sales.
- \*3 A party who is a major transaction partner of the Company Group refers to a transaction partner group that is provided products or services by the Company Group, and where the average transaction value of the past three fiscal years exceeds 2% of the Company Group’s annual consolidated net sales.
- \*4 A large amount of money or other assets refers to an amount exceeding, in the case of an individual, ¥10 million per annum or, in the case of an organization, 2% of the organization’s annual consolidated net sales, in the most recent fiscal year.
- \*5 Donations or grants that exceed a certain amount refer to donations or grants that exceed ¥10 million per annum on average for the past three business years, or 2% of the other party’s gross income for the most recent business year, whichever is greater.
- \*6 A major financial institution refers to a financial institution in which the total amount lent at the end of the most recent business year exceeds 2% of the Company’s consolidated assets.
- \*7 A major shareholder refers to a shareholder that possesses a ratio of 10% or more of voting rights (includes both direct possession and indirect possession).

[Translation: For reference only]

- \*8 A party in an important position refers to a director (excluding outside directors), executive officer (Shikkoyaku), executive officer (Shikkoyakuin), or employees that are high-level executives of general manager level or above, as well as persons belonging to auditing firms or accounting firms, including certified public accountants, persons belonging to legal firms, including lawyers, persons who belong to corporations such as foundations, incorporated associations, educational corporations, including administrators such as councilors, administration officers, and auditor-secretaries, and persons that could objectively and reasonably be judged to hold equivalent important positions.
- \*9 Close relations, etc. refers to a spouse and relatives within two degrees of kinship.