

[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 1, 2022

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

Yasushi Takayama  
Representative Director, President

### **Convocation Notice of The 87th 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 87th Ordinary General Meeting of Shareholders of the Company (the “Meeting”) will be held as described below and you are cordially notified of the Meeting.

**Due to concerns regarding the ongoing COVID-19 pandemic, you are strongly urged to consider refraining from attending the Meeting in order to prevent the spread of the virus. If you are unable to attend the Meeting, you can exercise your voting rights either in writing (by mail) or via electronic media (including Internet, etc.). We ask that you exercise your voting rights no later than 5:15 p.m. on Wednesday, June 22, 2022, after reading page 3 of “How to Exercise Voting Rights.”**

## Recitals

**1. Date and Time:** Thursday, June 23, 2022 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 87th Term (from April 1, 2021 to March 31, 2022).
2. Report on the Non-Consolidated Financial Statements for the 87th Term (from April 1, 2021 to March 31, 2022).

#### Matters to be Resolved:

- Proposal 1: Appropriation of Surplus
- Proposal 2: Amendment to the Articles of Incorporation
- Proposal 3: Election of Seven Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 4: Election of Three Directors Serving as Audit and Supervisory Committee Members
- Proposal 5: Election of One Director Serving as Substitute Audit and Supervisory Committee Member

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- Upon attending the Meeting, please present the enclosed Form for Exercise of Voting Rights to the receptionist. Additionally, to conserve resources, please bring this “Notice” with you.
  - When the need arises to amend “Reference Documents for General Meeting of Shareholders,” “Business Report,” “Consolidated Financial Statements,” or “Non-Consolidated Financial Statements,” such amendments will be announced on the Company’s website at <https://www.sanwa-hldgs.co.jp/>.

[Translation: For reference only]

### **How to Exercise Voting Rights**

**[Exercise of voting rights in writing (by mail)]**

**You are kindly asked to send us via return mail the enclosed Form for Exercise of Voting Rights after indicating your approval or disapproval of the Proposals to arrive no later than 5:15 p.m. on Wednesday, June 22, 2022.**

**[Exercise of voting rights via electronic media (including Internet, etc.)]**

**You are kindly asked to exercise your voting rights no later than 5:15 p.m. on Wednesday, June 22, 2022 by accessing the website for exercising voting rights below.**

**Website for Exercising Voting Rights**

**<https://evote.tr.mufg.jp/>**

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## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Materials

#### Proposal 1: Appropriation of Surplus

It is proposed that surplus to be appropriated as follows.

#### Matters related to term-end dividends

It is the Company's basic policy to provide dividend payments in line with consolidated performance and to keep stable payout ratio in order to further pursue corporate management to increase the corporate value while improving the business structure and strengthening the management base. Concretely, dividend payments of the profit attributable to owners of the parent company for the term are aimed to be 35% as payout ratio.

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 ¥19 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  
¥19 per share of common stock      Total ¥4,197,785,615  
(¥36 per annum adding paid interim dividend ¥17 per share)
- (3) Effective date of payment of dividend from surplus  
June 24, 2022

#### <Reference>

Under the Sanwa Global Vision 2030 Mid-Term Management Plan 2024, which will start in FY2022, the Company has set a target dividend payout ratio of 40%.

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**Proposal 2:** Amendment to the Articles of Incorporation

1. Reasons for the Amendment

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to the Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the General Meeting of Shareholders in electronic format.

- (1) Article 16, paragraph 1 in “Proposed Amendment” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format.
- (2) Article 16, paragraph 2 in “Proposed Amendment” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Disclosure and Deemed Provision of Reference Documents for the General Meetings of Shareholders, etc., through the Internet (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the Amendment

The details of amendments are as follows:

(Underlined sections denote amendments.)

Current Articles of Incorporation	Proposed Amendment
<p data-bbox="225 1216 828 1294"><u>Article 16. (Disclosure and Deemed Provision of Reference Documents for the General Meetings of Shareholders, etc., through the Internet)</u></p> <p data-bbox="225 1299 828 1552"><u>When convening the General Meeting of Shareholders, the Company shall be deemed to have provided information that should be presented or displayed in the reference documents for the General Meeting of Shareholders, business reports, consolidated and non-consolidated financial statements, by disclosing this information through a method using the Internet, in accordance with the provisions of the Ministry of Justice Order.</u></p> <p data-bbox="437 1556 646 1585">&lt;Newly established&gt;</p>	<p data-bbox="1082 1216 1185 1245">&lt;Deleted&gt;</p> <p data-bbox="831 1556 1420 1612"><u>Article 16. (Measures, etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"><li data-bbox="852 1617 1420 1758">1. <u>When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format.</u></li><li data-bbox="852 1762 1420 1948">2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></li></ol>

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Current Articles of Incorporation	Proposed Amendment
<p data-bbox="389 212 663 241">(Supplementary Provisions)</p> <p data-bbox="229 248 807 300">(Provisional Measures Concerning Agreements to Limit the Liability of Outside Corporate Auditors)</p> <p data-bbox="488 309 596 338">&lt;Omitted&gt;</p> <p data-bbox="416 383 636 412">&lt; Newly established &gt;</p>	<p data-bbox="999 212 1273 241">(Supplementary Provisions)</p> <p data-bbox="836 248 1414 300">(Provisional Measures Concerning Agreements to Limit the Liability of Outside Corporate Auditors)</p> <p data-bbox="1078 309 1219 338">&lt;Unchanged&gt;</p> <p data-bbox="836 383 1425 461"><u>(Provisional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <ol data-bbox="836 472 1425 1077" style="list-style-type: none"><li data-bbox="836 472 1425 797">1. <u>The deletion of Article 16 (Disclosure and Deemed Provision of Reference Documents for the General Meetings of Shareholders, etc., through the Internet) in the pre-amended Articles of Incorporation and the establishment of the new Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li><li data-bbox="836 808 1425 943">2. <u>Notwithstanding the provision of the preceding paragraph, Article 16 of the pre-amended Articles of Incorporation shall remain effective regarding any General Meeting of Shareholders held on a date within six months from the Date of Enforcement.</u></li><li data-bbox="836 954 1425 1077">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u></li></ol>

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**Proposal 3:** Election of Seven 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 seven 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	Toshitaka Takayama	Director, Chairman	Reelection
2	Male	Yasushi Takayama	Representative Director, President Executive Officer, President	Reelection
3	Male	Hiroyuki Yamazaki	Director Senior Executive Officer	Reelection
4	Male	Toshiaki Doba	Senior Executive Officer	New election
5	Male	Meiji Takayama	Director	Reelection
6	Male	Masanaka Yokota	Director	Reelection Outside Independent
7	Female	Hiroko Ishimura	–	New election Outside Independent


Reelection: candidate for Director to be reelected

New election: candidate for Director to be newly elected

Outside: candidate for outside Director


Independent: independent officer as 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	 Toshitaka Takayama (April 25, 1939)  Reelection	August 1963 April 1972 April 1974 April 1974 January 1977 April 1980 May 1981 August 1985  June 2000 October 2007  April 2012 June 2012 <b>April 2019</b> <b>April 2020</b>	Joined the Company Director General Manager of Construction Material Dept. Managing Director Head of Construction Material Div. Director, Vice President Representative Director, President Representative Director, President, SHOWAFRONT Sales Co. (currently SHOWAFRONT Co., Ltd.)  Executive Officer, President Representative Director, Chairman of the Board, Sanwa Shutter Corporation CEO & COO Representative Director, Chairman <b>Director, Sanwa Shutter Corporation (present post)</b> <b>Director, Chairman (present post)</b> (Important concurrent positions) Director, Sanwa Shutter Corporation	1,846,773 shares
		Number of years in office	50 years	
		Attendance at Board of Directors meetings	100%	
		(Reasons for selecting the candidate) Since assuming office as Director in 1972, Mr. Toshitaka Takayama has promoted the diversification of the door, maintenance and service, and other businesses, and has made a substantial contribution to enhancing the Company's presence in Japan. By driving the overseas expansion of the business ahead of the Company's peers, he has also greatly assisted in the globalization of the Company Group. Based on his extensive experience, acumen, and track record in the construction material business, 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
2	 Yasushi Takayama (February 3, 1971)  Reelection	October 2006      Joined the Company April 2008      General Manager of TCR Dept. April 2009      General Manager of Structural Reform Dept. April 2010      Director, Senior Executive Officer, Sanwa Shutter Corporation April 2010      Responsible for Group Function, Sanwa Shutter Corporation April 2011      Senior Executive Officer April 2011      Assistant Director of Overseas Business Unit April 2012      Senior Managing Executive Officer April 2012      Responsible for Corporate Planning Unit June 2012      Director April 2016      Executive Officer, Vice President April 2016      Deputy President April 2017      COO <b>April 2017      Representative Director, President (present post)</b> April 2019      Representative Director, Chairman of the Board, Sanwa Shutter Corporation <b>April 2020      Executive Officer, President (present post)</b> (Important concurrent positions) Director, Sanwa USA Inc. Director, Overhead Door Corporation Director, Novoferm Germany GmbH.	137,042 shares
		Number of years in office      10 years	
		Attendance at Board of Directors meetings      100%	
(Reasons for selecting the candidate) 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, realizing the Global Vision 2020 and 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.			

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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	 Hiroyuki Yamazaki (February 3, 1961)  Reelection	April 1983      Joined Sumitomo Corporation 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 <b>April 2018</b> <b>Senior Executive Officer (present post)</b> Subleader of Corporate Planning Unit (Concurrent) General Manager of Corporate Planning Dept. <b>April 2020</b> <b>Responsible for Corporate Planning Unit</b> <b>(present post)</b> <b>June 2020</b> <b>Director (present post)</b> (Important concurrent positions) Director, Overhead Door Corporation Director, Novoferm Germany GmbH.	12,113 shares
		Number of years in office      2 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
4	 <p>Toshiaki Doba (July 26, 1961)  New election</p>	<p>April 1985      Joined ITOCHU Corporation</p> <p>April 2000      Joined Johnson &amp; Johnson K.K.</p> <p>April 2007      General Manager of Corporate Planning Dept., Accounting and Finance Div., Medical Company, Johnson &amp; Johnson K.K.</p> <p>July 2008      CFO, Consumer Company, Johnson &amp; Johnson K.K.</p> <p>November 2010      Head of Distribution Strategy Div. (Senior Director), Medical Company, Johnson &amp; Johnson K.K.</p> <p>April 2014      Joined the Company</p> <p>April 2015      General Manager of Strategic Re-Engineering Dept.</p> <p>April 2016      Executive Officer Head of Americas Business, Europe and Americas Business Unit</p> <p><b>April 2019      Senior Executive Officer (present post)</b></p> <p>April 2020      Head of Europe and Americas Business</p> <p>April 2021      Subleader of Global Business Unit</p> <p><b>January 2022      (Concurrent) General Manager of Global R&amp;D Dept.</b></p> <p><b>April 2022      Responsible for Global Business Unit (present post) (Concurrent) General Manager of R&amp;D Dept. (present post)</b> (Important concurrent positions) Director, Sanwa USA Inc. Director, Overhead Door Corporation Director, Novoferm Germany GmbH.</p>	4,234 shares
		Number of years in office      –	
		Attendance at Board of Directors meetings      –	


(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 2021, he served as Subleader of 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 is qualified to be a Director.


[Translation: For reference only]

Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)		Number of the Company's shares owned
5	 Meiji Takayama (August 27, 1973)  Reelection	October 2006	Joined the Company	93,838 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 Managing Executive 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	5 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
6	 <p>Masanaka Yokota (January 5, 1955)</p> <p>Reelection Outside Independent</p>	<p>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.</p>	4,400 shares
		<p>Number of years in office 2 years</p>	
		<p>Attendance at Board of Directors meetings 100%</p>	
<p>(Reasons for selecting the candidate and overview of expected role)</p> <p>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 &amp; 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 this extensive experience and knowledge to continue to provide supervision and advice in relation to the execution of duties by Directors of the Company.</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
7	 Hiroko Ishimura (August 2, 1955)  New election 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.	—
		Number of years in office	—
		Attendance at Board of Directors meetings	—
(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. In addition to deep knowledge of solving business issues using IT and digital technologies, etc., which was accumulated through the execution of business at Cincom Systems Japan Ltd., she also has extensive experience as a company manager. The Company expects her to utilize this deep knowledge and extensive experience to provide supervision and advice in relation to the execution of business by Directors of the Company.			

**Notes:**

- None of the candidates for Director has any special interest with the Company.
- 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.
- 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.
- Ms. Hiroko Ishimura is a candidate for Outside Director and fulfills the Independence Criteria for the Company’s Outside Officers and the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If she assumes office as Outside Director, the Company plans to submit the

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List of her appointment as a newly elected 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 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 he is reelected, the Company plans to continue the same liability limitation agreement with him. If Ms. Hiroko Ishimura is elected, the Company also plans to enter into a similar liability limitation agreement with her.
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 2022. 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.

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**Proposal 4:** Election of Three Directors Serving as Audit and Supervisory Committee Members

At the close of the Meeting, three Directors serving as Audit and Supervisory Committee Members will resign due to the expiration of their terms of office.

We therefore propose the election of three Directors serving as Audit and Supervisory Committee Members.

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	Teiko Zaima	Director serving as Audit and Supervisory Committee Member (Full-time)	Reelection
2	Male	Tsunekatsu Yonezawa	Director serving as Audit and Supervisory Committee Member (Full-time)	Reelection Outside Independent
3	Male	Akira Gokita	Director serving as Audit and Supervisory Committee Member	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	 Teiko Zaima (May 14, 1952)  Reelection	<table border="0"> <tr> <td>March 1975</td> <td>Joined the Company</td> </tr> <tr> <td>April 2004</td> <td>General Manager of Accounting Dept.</td> </tr> <tr> <td>October 2007</td> <td>General Manager of Accounting Dept., Sanwa Shutter Corporation</td> </tr> <tr> <td>April 2010</td> <td>Executive Officer, Sanwa Shutter Corporation</td> </tr> <tr> <td>April 2012</td> <td>Senior Executive Officer, Sanwa Shutter Corporation</td> </tr> <tr> <td>April 2015</td> <td>Standing Advisor</td> </tr> <tr> <td>June 2015</td> <td>Corporate Auditor</td> </tr> <tr> <td><b>June 2016</b></td> <td><b>Director serving as Audit and Supervisory Committee Member (Full-time) (present post)</b> (Important concurrent positions)</td> </tr> <tr> <td></td> <td>Part-time Corporate Auditor, Sanwa Shutter Corporation</td> </tr> <tr> <td></td> <td>Part-time Corporate Auditor, Suzuki Shutter Corporation</td> </tr> <tr> <td></td> <td>Part-time Corporate Auditor, SHOWAFRONT Co., Ltd.</td> </tr> <tr> <td colspan="2">Number of years in office</td> <td>6 years</td> </tr> <tr> <td colspan="2">Attendance at Board of Directors meetings</td> <td>100%</td> </tr> </table>	March 1975	Joined the Company	April 2004	General Manager of Accounting Dept.	October 2007	General Manager of Accounting Dept., Sanwa Shutter Corporation	April 2010	Executive Officer, Sanwa Shutter Corporation	April 2012	Senior Executive Officer, Sanwa Shutter Corporation	April 2015	Standing Advisor	June 2015	Corporate Auditor	<b>June 2016</b>	<b>Director serving as Audit and Supervisory Committee Member (Full-time) (present post)</b> (Important concurrent positions)		Part-time Corporate Auditor, Sanwa Shutter Corporation		Part-time Corporate Auditor, Suzuki Shutter Corporation		Part-time Corporate Auditor, SHOWAFRONT Co., Ltd.	Number of years in office		6 years	Attendance at Board of Directors meetings		100%	24,200 shares
March 1975	Joined the Company																														
April 2004	General Manager of Accounting Dept.																														
October 2007	General Manager of Accounting Dept., Sanwa Shutter Corporation																														
April 2010	Executive Officer, Sanwa Shutter Corporation																														
April 2012	Senior Executive Officer, Sanwa Shutter Corporation																														
April 2015	Standing Advisor																														
June 2015	Corporate Auditor																														
<b>June 2016</b>	<b>Director serving as Audit and Supervisory Committee Member (Full-time) (present post)</b> (Important concurrent positions)																														
	Part-time Corporate Auditor, Sanwa Shutter Corporation																														
	Part-time Corporate Auditor, Suzuki Shutter Corporation																														
	Part-time Corporate Auditor, SHOWAFRONT Co., Ltd.																														
Number of years in office		6 years																													
Attendance at Board of Directors meetings		100%																													
<p>(Reasons for selecting the candidate)</p> <p>After serving in a range of important posts, such as General Manager of Accounting Division of the Company, and General Manager of Accounting Division and Senior Executive Officer of Sanwa Shutter Corporation, which is the core business company of the Company Group, Mr. Teiko Zaima assumed office as Corporate Auditor in 2015 and Director serving as Audit and Supervisory Committee Member in 2016. He possesses many years of experience in accounting and financial operations, as well as a deep knowledge of risk and compliance. Based on this extensive experience and knowledge he has provided appropriate opinions and advice, and the Company has determined that he remains qualified to be a Director serving as Audit and Supervisory Committee Member.</p>																															


[Translation: For reference only]

Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned	
2	 Tsunekatsu Yonezawa (August 4, 1948)  Reelection Outside Independent	April 1971	Joined ITOCHU Corporation	-
		April 1996	General Manager of Thin Plate Department I, ITOCHU Corporation	
		April 1999	General Manager of Oceania (Stationed in Sydney), ITOCHU Corporation (Concurrent) President, ITOCHU Australia Ltd.	
		June 2001	Executive Officer, ITOCHU Corporation	
		October 2001	Member of the Board, General Manager of Iron & Steel Division-I, Marubeni-Itochu Steel Inc.	
		April 2004	Vice President, Member of the Board, Marubeni-Itochu Steel Inc.	
		April 2005	President and CEO, Member of the Board, Marubeni-Itochu Steel Inc.	
		April 2009	Chairman, Member of the Board, Marubeni-Itochu Steel Inc.	
		April 2012	Advisory Board Member, Marubeni-Itochu Steel Inc.	
		April 2013	Director (Assistant to President), ITOCHU Corporation	
June 2015	Outside Corporate Auditor			
	<b>June 2016</b>	<b>Director serving as Audit and Supervisory Committee Member (Full-time) (present post)</b>		
	Number of years in office	6 years		
	Attendance at Board of Directors meetings	100%		

(Reasons for selecting the candidate and overview of expected role)

Mr. Tsunekatsu Yonezawa served as General Manager of Thin Plate Department I, ITOCHU Corporation, and General Manager of Oceania, ITOCHU Corporation, before being appointed the Member of the Board of Marubeni-Itochu Steel Inc. in the ITOCHU Group. Subsequently he assumed office as Outside Corporate Auditor of the Company in 2015, and Director serving as Audit and Supervisory Committee Member in 2016. At the Company, based on his experience as a corporate manager both in Japan and overseas and his deep knowledge of economics and management, he has provided appropriate opinions and advice while also providing impartial opinions as a member of the Nomination and Compensation Committee. The Company expects him to utilize his experience and knowledge to continue to provide appropriate supervision of execution of business by the Company.

[Translation: For reference only]

Candidate No.	Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned				
3	 <p>Akira Gokita (September 20, 1947)</p> <p>Reelection Outside Independent</p>	<p>April 1978 Assumed the office of Public Prosecutor, Tokyo District Public Prosecutors Office (Criminal Affairs Division and Trial Division)</p> <p>March 1979 Mito District Public Prosecutors Office</p> <p>March 1982 Tokyo District Public Prosecutors Office (Criminal Affairs Division and Special Investigation Division)</p> <p>March 1985 Osaka District Public Prosecutors Office (Special Investigation Division)</p> <p>March 1987 Tokyo District Public Prosecutors Office (Special Investigation Division)</p> <p>March 1988 Retired from Public Prosecutor</p> <p>April 1988 Registered as an attorney at law</p> <p><b>May 1994 Attorney at law, Gokita and Mitsuura Law Office (present post)</b></p> <p><b>June 2010 Outside Director, Ichiyoshi Securities Co., Ltd. (present post)</b></p> <p><b>June 2016 Director serving as Audit and Supervisory Committee Member (present post)</b> (Important concurrent positions) Attorney at law, Gokita and Mitsuura Law Office Outside Director, Ichiyoshi Securities Co., Ltd.</p> <table border="1"> <tr> <td>Number of years in office</td> <td>6 years</td> </tr> <tr> <td>Attendance at Board of Directors meetings</td> <td>87%</td> </tr> </table>	Number of years in office	6 years	Attendance at Board of Directors meetings	87%	
Number of years in office	6 years						
Attendance at Board of Directors meetings	87%						

(Reasons for selecting the candidate and overview of expected role)

After serving as Public Prosecutor in the Special Investigation Divisions of the Tokyo District Public Prosecutors Office and the Osaka District Public Prosecutors Office, Mr. Akira Gokita registered as attorney at law in 1988, and since 1994 he has been active in a wide range of fields as an attorney at law for Gokita and Mitsuura Law Office. He assumed office as Director serving as Audit and Supervisory Committee Member of the Company in 2016. At the Company, based on his deep knowledge as a legal specialist, he has provided appropriate opinions and advice in relation to the governance and risk management of the Company while also providing impartial opinions as a member of the Nomination and Compensation Committee. Other than as an Outside Director he has had no involvement in company management, but the Company expects him to utilize the above-mentioned experience and knowledge to continue to provide appropriate supervision of execution of business by the Company.

**Notes:**

1. None of the candidates for Director serving as Audit and Supervisory Committee Member have any special interest with the Company.
2. Mr. Tsunekatsu Yonezawa is a candidate for Outside Director. The Company has submitted to the Tokyo Stock Exchange an Independent Officer List which states his name as an independent officer. If he is reelected, the Company plans to continue to submit the List of his appointment as an independent officer. Mr. Tsunekatsu Yonezawa is a former employee of Marubeni-Itochu Steel Inc., with which the Company Group has purchasing transactions for the Company Group's raw materials and sales transactions for the Company Group's products. However, the annual transaction amount between that company group and the Company Group for the past three fiscal years was less than 1% of the annual consolidated net sales of each of the groups, and he fulfills the Independence Criteria for the Company's Outside Officers and the requirements for an independent officer as provided for by the Tokyo Stock Exchange as well, so the Company has determined that he has no special conflict of interest with ordinary shareholders.

[Translation: For reference only]

3. Mr. Akira Gokita is a candidate for Outside Director. The Company has submitted to 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. Mr. Akira Gokita is also an attorney at law at Gokita and Mitsuura Law Office. The Company had previously entered into a legal advisor agreement with Mr. Akira Gokita, but this was canceled in December 2015, so the Company has determined that he has no special conflict of interest with ordinary shareholders.
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. The Company has entered into limited liability agreements with Messrs. Teiko Zaima, Tsunekatsu Yonezawa, and Akira Gokita such that the liability amounts related to Paragraph 1 in Article 423 of the Companies Act shall be limited within the amount of provision by law, in accordance with Paragraph 1 in Article 427 of the same law and Article 29 of the Articles of Incorporation of the Company. In case of their reelection, the Company will continue similar limited liability agreements with them.
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 2022. If each candidate for Director serving as Audit and Supervisory Committee Member is elected, they will continue to be an insured under the insurance policy. For an overview of the content of this insurance policy, please refer to Note 6 on page 15.

[Translation: For reference only]


**Proposal 5:** Election of One Director Serving as Substitute Audit and Supervisory Committee Member

The appointment of the present Director serving as Substitute Audit and Supervisory Committee Member is effective until the beginning of the Meeting.

We, in preparation for the event that the number of Directors serving as Audit and Supervisory Committee Members falls below the limit stipulated in laws and regulations, propose the election of one Director serving as Substitute Audit and Supervisory Committee Member.

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

The candidate for Director serving as Substitute Audit and Supervisory Committee Member is as follows:

Name (Date of Birth)	Personal History, Positions, Role in the Company (Important concurrent positions)	Number of the Company's shares owned	
 Masanaka Yokota (January 5, 1955)  Outside Independent	June 2003 January 2009 June 2013 April 2015 <b>June 2020</b> <b>June 2020</b>	4,400 shares	
	Director, JMA Consultants Inc. President, JMAC China Managing Director, JMA Consultants Inc. President, JMAC Europe S.p.A <b>Standing Advisor, JMA Consultants Inc. (present post)</b> <b>Outside Director, the Company (present post)</b> (Important concurrent positions) Standing Advisor, JMA Consultants Inc.		
	Number of years in office Attendance at Board of Directors meetings		2 years  100%
(Reasons for selecting the candidate and overview of expected role) Mr. Masanaka Yokota has been involved for many years in corporate management analysis as a management consultant at JMA Consultants Inc. He has also provided the Company with beneficial advice and suggestions as an Outside Director of the Company. The Company expects him to utilize this experience and knowledge to provide appropriate supervision of execution of business by the Company.			

**Notes:**

1. Mr. Masanaka Yokota is a candidate for Outside Director serving as Substitute Audit and Supervisory Committee Member.
2. Mr. Masanaka Yokota has no special interest with the Company.
3. Mr. Masanaka Yokota is a candidate for Outside Director. The Company has submitted to 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 his reelection as a Director not serving as Audit and Supervisory Committee Member is approved, and if he subsequently assumes office as Director serving as Audit and Supervisory Committee Member, the Company plans to continue to submit the List of his appointment as an independent officer.
4. The Company Group has no business relationship with the company where Mr. Masanaka Yokota 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

[Translation: For reference only]

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.

5. Mr. Masanaka Yokota, who is a candidate for Director serving as Substitute Audit and Supervisory Committee Member, is also a candidate for Outside Director in Proposal 3 “Election of Seven Directors (Excluding Directors Serving as Audit and Supervisory Committee Members).”
6. 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 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 he is reelected as a Director not serving as Audit and Supervisory Committee Member, and if he subsequently assumes office as Director serving as Audit and Supervisory Committee Member, the Company will continue a similar limited liability agreement with him.
7. 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 2022. Mr. Masanaka Yokota is currently an insured under the insurance policy. If his reelection as a Director not serving as Audit and Supervisory Committee Member is approved, and if he subsequently assumes office as Director serving as Audit and Supervisory Committee Member, he will continue to be an insured under the insurance policy. For an overview of the content of this insurance policy, please refer to Note 6 on page 15.

[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 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	Corporate management Governance	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
Directors (Excluding Directors serving as Audit and Supervisory Committee Members)	1	Toshitaka Takayama	○	○	○	○			○	
	2	Yasushi Takayama	○	○			○	○	○	○
	3	Hiroyuki Yamazaki	○		○	○	○	○	○	○
	4	Toshiaki Doba	○	○	○	○		○		
	5	Meiji Takayama	○	○		○	○	○	○	
	6	Masanaka Yokota	○		○		○		○	
	7	Hiroko Ishimura	○		○	○	○			
Directors serving as Audit and Supervisory Committee Members	1	Teiko Zaima	○	○				○	○	○
	2	Tsunekatsu Yonezawa	○	○	○	○				
	3	Akira Gokita	○					○		○

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

[Translation: For reference only]

## 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 (referred to collectively below 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 (\*3) of the Company Group, 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 Director 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 major financial institution (\*6) that is a lender of the Company Group, or a Business Executive in 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 Major transaction partners of the Company refer 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 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 of money or benefit from other assets that exceeds ¥10 million per annum in the past business year, excluding officer compensation.

\*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, executive officer, 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 relation refers to a spouse and relatives within two degrees of kinship.