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Securities code: 4078

May 30, 2025

To our shareholders:

Toshiyuki Yagura
President
Sakai Chemical Industry Co., Ltd.
5-2, Ebisujima-cho, Sakai-ku, Sakai-shi, Osaka

NOTICE OF THE 130TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 130th Ordinary General Meeting of Shareholders of Sakai Chemical Industry Co., Ltd. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company’s website:

https://www.sakai-chem.co.jp/jp/ir/general_meeting/ (in Japanese)



(in Japanese)

In addition to posting items subject to measures for electronic provision on the Company website, the Company also posts this information on the website of the Tokyo Stock Exchange (TSE). Access the TSE website by using the internet address shown below, enter “Sakai Chemical Industry” in “Issue name (company name)” or the Company’s securities code “4078” 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].”

TSE website (Listed Company Search):

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



(in Japanese)

If you will not be attending this General Meeting of Shareholders in person, you may exercise your voting rights either via the Internet, etc. or in writing (by postal mail). Please review the Reference Documents for the General Meeting of Shareholders and, exercise your voting rights no later than 5:40 p.m., Wednesday, June 25, 2025 (Japan standard time).

- 1. Date and Time:** Thursday, June 26, 2025 at 10:00 a.m. (Reception opens at 9:00 a.m.) (Japan Standard Time)
- 2. Venue:** Auditorium on the 3rd floor of the Company's head office
5-2, Ebisujima-cho, Sakai-ku, Sakai-shi, Osaka

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 130th Term (from April 1, 2024 to March 31, 2025), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 130th Term (from April 1, 2024 to March 31, 2025)

Items to be resolved:

- Proposal 1:** Partial Amendment to the Articles of Incorporation
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Payment of Directors' Bonuses

- Of items for which the measures for providing information in electronic format will be taken, "Systems to Ensure Appropriate Operations and Status of Operation of the Systems," "Consolidated Statements of Changes in Equity," "Notes to the Consolidated Financial Statements," "Non-consolidated Statements of Changes in Equity" and "Notes to Non-Consolidated Financial Statements" are not included in the document in accordance with the provisions of laws and regulations as well as the Company's Articles of Incorporation. The Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements in the document are included in the scope of audit conducted by the Corporate Auditors and the Accounting Auditor in preparing the audit report.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
- Gifts will not be prepared for the shareholders who attend the meeting in person, and we ask for your understanding.

Regarding Questions Sent in Advance

Before the convening of the General Meeting of Shareholders, we would like to receive questions from shareholders in advance as follows.

- ◎ We plan to post responses to received questions on the Company's website (https://www.sakai-chem.co.jp/jp/ir/general_meeting/; Japanese only) by the day before this General Meeting of Shareholders. Please note that it may not be possible to answer all questions. Please also note that we cannot provide individual responses to questions.
- ◎ We may not respond to questions that are unrelated to items to be reported or to be resolved at the General Meeting of Shareholders.

► Receipt of advance questions

[1] For questions sent via the Internet

- ◎ Please access the special website from the following URL or using the QR code, and enter the required information.

* Internet Explorer cannot be used. Please use a browser such as Google Chrome or Microsoft Edge.

https://www.sakai-chem.co.jp/fc/inquiry_fc/130th_ogmos20250626-roqia.html (in Japanese)



(in Japanese)

[2] For questions sent in writing (by postal mail)

- ◎ Questions will also be accepted in writing. Please fill in the required information and the content of questions, and mail these to the following address early enough to arrive by the deadline.

Required information

(1) Shareholder number (see your voting card form) (2) Name (3) Zip code (4) Address (5) Content of questions

Mailing address

590-8502

5-2, Ebisujima-cho, Sakai-ku, Sakai-shi, Osaka

Sakai Chemical Industry Co., Ltd., Administration Division, Human Resources and General Affairs Department

Deadline for receipt of questions: Arrival by 5:40 p.m. on Thursday, June 19, 2025

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Partial Amendment to the Articles of Incorporation

1. Reasons for the Proposal

In June 2021, the Company introduced an executive officer system to clarify the responsibilities and authority for business execution, increase management agility, and strengthen corporate governance by separating management decision-making and supervision functions from business execution functions. Four (4) years have passed since the system was introduced, and the system has been improved. Therefore, to adapt the total number of directors at an appropriate level commensurate with the current situation, we will change Article 18 of the current Articles of Incorporation (Number of Directors) from the current “15 or fewer” to “11 or fewer.”

2. Content of Amendments

The content of amendments is as follows:

(Amended portions are indicated by underlining.)

Current Articles of Incorporation	Proposed amendment
Article 1 to Article 17 (Articles omitted) (Number of Directors) Article 18 The Company shall have <u>15</u> or fewer Directors. Article 19 to Article 44 (Articles omitted)	Article 1 to Article 17 (as present) (Number of Directors) Article 18 The Company shall have <u>11</u> or fewer Directors. Article 19 to Article 44 (as present)

Proposal 2: Election of Eight (8) Directors

The terms of office of all eight (8) Directors in their present positions will expire upon the conclusion of this General Meeting. Accordingly, the Company proposes the election of eight (8) Directors (including four (4) Outside Directors). Director Hiromi Wada will retire from office upon the conclusion of this General Meeting.

The candidates for Directors are as follows:

No.		Name	Gender	Tenure	Current position and responsibilities in the Company	Attendance Status of the Board of Directors
1	[Reappointment]	Toshiyuki Yagura	Male	5 years	President Representative Director and Executive Officer In charge of Internal Control over Financial Reporting	16 times / 16 times (100%)
2	[Reappointment]	Yasuhiro Okamoto	Male	9 years	Director and Executive Officer General Manager, Onahama Manufacturing Site; General Manager, Production Technology Division	16 times / 16 times (100%)
3	[Reappointment]	Hiroyuki Hattori	Male	5 years	Director and Executive Officer In charge of Compliance, Legal Affairs, Risk Management; General Manager, Corporate Strategy Division; General Manager, Accounting & Finance Department	16 times / 16 times (100%)
4	[Reappointment]	Koichiro Magara	Male	1 year	Director and Executive Officer In charge of Cosmetic Innovation; General Manager, Research & Development Division	13 times / 13 times (100%)
5	[Reappointment] [Outside] [Independent]	Yoshikazu Itou	Male	4 years	Outside Director Independent Officer	16 times / 16 times (100%)
6	[Reappointment] [Outside] [Independent]	Mitsunori Matsuda	Male	3 years	Outside Director Independent Officer	16 times / 16 times (100%)
7	[Reappointment] [Outside] [Independent]	Hisao Miyagawa	Male	1 year	Outside Director Independent Officer	13 times / 13 times (100%)
8	[New Appointment] [Outside] [Independent]	Yoshiko Hamazaki	Female	-	-	-

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Toshiyuki Yagura (June 24, 1964) [Reappointment]	Apr. 1988	Joined the Company	21,658 shares
		June 2014	General Manager, Corporate Planning Department	
		Sept. 2019	General Manager, Human Resources and General Affairs Department	
		June 2020	Director; General Manager, Administration Division	
		June 2021	Director and Executive Officer; General Manager, Administration Division	
		June 2022	President Representative Director and Executive Officer	
			In charge of Internal Control over Financial Reporting (to present)	
	<p>Reasons for nomination:</p> <p>Toshiyuki Yagura has extensive experience in human resources and corporate planning, and has a proven record of establishment and operation of personnel systems as well as successful conclusion of M&A. Since his tenure as General Manager of the Administration Division, he has led ESG initiatives including reshaping the personnel system and strengthening quality assurance and health and safety management systems. He has exhibited strong leadership skills since assuming the position of President Representative Director in June 2022 and has been leading the Group's management. Therefore, we have determined that he is an essential person to enhance the corporate value of the Group and have again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company		Number of the Company's shares owned
2	Yasuhiro Okamoto (June 30, 1963) [Reappointment]	Apr. 1987	Joined the Company	15,535 shares
		Dec. 2011	General Manager, Manufacturing Department, Inorganic Chemicals Division	
Oct. 2014	General Manager, Production Department 2, Inorganic Chemicals Division			
June 2015	Director; General Manager, Production Technology Division and Sakai Manufacturing Site			
Sept. 2019	Director; General Manager, Onahama Manufacturing Site			
June 2021	Executive Officer; General Manager, Onahama Manufacturing Site			
June 2022	Director and Executive Officer General Manager, Onahama Manufacturing Site; Deputy General Manager, Production Technology Division			
May 2023	Director and Executive Officer General Manager, Onahama Manufacturing Site; General Manager, Otsurugi Factory; Deputy General Manager, Production Technology Division			
Oct. 2023	Director and Executive Officer General Manager, Onahama Manufacturing Site; Deputy General Manager, Production Technology Division			
June 2024	Director and Executive Officer; General Manager, Onahama Manufacturing Site; General Manager, Production Technology Division (to present)			
Reasons for nomination: Yasuhiro Okamoto is involved in the decision making at the Board of Directors, properly supervises the duties of Directors and carries out business affairs for which he is responsible. He has held positions as the General Manager of both the Onahama Manufacturing Site and the Sakai Manufacturing Site, and has a wealth of experience and a proven record of accomplishments related to factory management as the person in charge of a manufacturing site. Currently, he has built a proven record of leading the strengthening of manufacturing technologies and quality control. Therefore, we have determined that he is an essential person to enhance the corporate value of the Group and have again nominated him as a candidate for Director.				

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Hiroyuki Hattori (June 11, 1964) [Reappointment]	<p>Apr. 1988 Joined the Company</p> <p>June 2014 General Manager, Administration & Management Department, Kaigen Pharma Co., Ltd.</p> <p>Apr. 2015 General Manager, General Affairs Department and Management Department, Kaigen Pharma Co., Ltd.</p> <p>June 2017 Director; General Manager, General Affairs Department and Management Department, Kaigen Pharma Co., Ltd.</p> <p>Oct. 2018 Director; General Manager, General Affairs Department, Kaigen Pharma Co., Ltd.</p> <p>June 2020 Director; Deputy General Manager, Corporate Strategy Division; General Manager, Accounting & Finance Department; General Manager, Compliance and Risk Management Promotion Department of the Company</p> <p>May 2021 Director; Deputy General Manager, Corporate Strategy Division; General Manager, Accounting & Finance Department</p> <p>June 2021 Director and Executive Officer; Deputy General Manager, Corporate Strategy Division; General Manager, Accounting & Finance Department In charge of Compliance, Legal Affairs, Risk Management</p> <p>June 2023 Director and Executive Officer; General Manager, Corporate Strategy Division; General Manager, Accounting & Finance Department In charge of Compliance, Legal Affairs, Risk Management (to present)</p>	7,384 shares
<p>Reasons for nomination:</p> <p>Hiroyuki Hattori is involved in the decision making at the Board of Directors, properly supervises the duties of Directors, and carries out business affairs for which he is responsible. He has extensive experience in accounting and finance, and has been engaged in corporate management as a director of a subsidiary of the Company. Currently as General Manager of the Corporate Strategy Division, he is in charge of accounting and finance and has built a proven record of leading the reinforcement of compliance and risk management systems. Therefore, we have determined that he is an essential person to enhance the corporate value of the Group and have again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Koichiro Magara (August 9, 1966) [Reappointment]	Apr. 1990	Joined the Company	2,529 shares
		Sept. 2018	General Manager, Advanced Materials Department	
		Apr. 2019	General Manager, Matsubara Factory, Onahama Manufacturing Site	
		June 2022	Executive Officer; Deputy General Manager, Research & Development Division In charge of New Business (sales and development)	
		Sept. 2023	Executive Officer; Deputy General Manager, Research & Development Division In charge of New Business (sales and development) and Cosmetics	
		June 2024	Director and Executive Officer; General Manager, Research & Development Division In charge of Cosmetic Innovation (to present)	
<p>Reasons for nomination:</p> <p>Koichiro Magara is involved in the decision making at the Board of Directors, properly supervises the duties of Directors, and carries out business affairs for which he is responsible. He has abundant experience and achievements in the field of research and development, and has built a proven record in the cosmetic materials business, which is positioned as a growth business and is a focus of the Company's efforts, by expanding sales and planning and executing large capital investments for this purpose. Therefore, we have determined that he is an essential person to enhance the corporate value of the Group and have again nominated him as a candidate for Director.</p>				

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
	Yoshikazu Itou (March 19, 1960) [Reappointment] [Outside] [Independent]	Apr. 1983 Joined Ajinomoto Co., Inc. Apr. 2005 Deputy President, Ajinomoto U.S.A., Inc. Aug. 2006 Deputy General Manager, Kawasaki Plant, Ajinomoto Co., Inc. Oct. 2008 General Manager, Production & Technology Administration Center, Ajinomoto Co., Inc. July 2013 Corporate Fellow, General Manager, Kawasaki Administration & Coordination Office and Kawasaki Plant, Ajinomoto Co., Inc. July 2017 Representative Director and President, Knorr Foods Co., Ltd. Apr. 2019 Senior Managing Director, Ajinomoto Food Manufacturing Co., Ltd. July 2020 Advisor, Ajinomoto Co., Inc. June 2021 Outside Director of the Company (to present) Mar. 2023 Outside Director, Kanro Inc. (to present)	1,069 shares
5	Matters Related to Candidacy for Outside Director Reasons for nomination as candidate for Outside Director and outline of expected roles: The Company is focused on enhancing corporate governance and developing high-quality, high-profit businesses such as electronic materials and cosmetics. Yoshikazu Itou has engaged in production technology and quality control for many years for a food manufacturing company that requires strict quality control, and has extensive management experience in top management. Therefore, the Company expects him to give advice and supervise from an independent viewpoint, and determined that he should continue to be a candidate for Outside Director. Information on the Independent Officer: The Company designated him as an Independent Officer specified by the Tokyo Stock Exchange and registered him with the stock exchange, based on the judgment that no issue regarding conflict of interests is likely to occur with the general shareholders in accordance with the standards for independence prescribed by the Tokyo Stock Exchange and Standards for Selecting Independent Outside Officers specified by the Company. If his reappointment is approved, the Company plans for his appointment as an Independent Officer to continue. Outline of terms and conditions of limited liability agreement: The Company has, in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, concluded with him an agreement to limit his liability for damages as set forth in Article 423, paragraph (1) of the same Act. In this case, the maximum amount of liability for damages under said agreement will be the minimum amount set forth in Article 425, paragraph (1) of the Companies Act. If his reappointment is approved, said agreement will continue to be in effect.		

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Mitsunori Matsuda (March 20, 1959) [Reappointment] [Outside] [Independent]	<p>Apr. 1982 Joined Fujisawa Pharmaceutical Co., Ltd. (current Astellas Pharma Inc.)</p> <p>Apr. 2005 Global Product II Group Leader, Supply Chain Management Department, Technology, Astellas Pharma Inc.</p> <p>Apr. 2006 SVP, Head of Kerry Plant, Astellas Ireland Co., Ltd.</p> <p>Apr. 2008 Vice President Strategy & Administration, Technology, Astellas Pharma Inc.</p> <p>June 2009 Corporate Executive, Vice President Strategy & Administration, Technology, Astellas Pharma Inc.</p> <p>Apr. 2010 Corporate Executive, SVP & President, Technology, Astellas Pharma Inc.</p> <p>June 2015 Senior Corporate Executive, SVP and President, Technology, Astellas Pharma Inc.</p> <p>Apr. 2017 Senior Corporate Executive, SVP and President, Pharmaceutical Technology, Astellas Pharma Inc.</p> <p>Apr. 2019 Senior Corporate Executive, Assistant to President, Astellas Pharma Inc.</p> <p>June 2019 Mandatory retirement from Astellas Pharma Inc.</p> <p>Jan. 2021 Sole proprietor (consulting) (to present)</p> <p>June 2022 Outside Director of the Company (to present)</p>	1,650 shares
<p>Matters Related to Candidacy for Outside Director</p> <p>Reasons for nomination as candidate for Outside Director and outline of expected roles: The Company focuses on strengthening corporate governance and developing high-quality, high-profit businesses such as organic chemicals for pharmaceuticals. Mitsunori Matsuda has engaged in CMC (Chemistry, Manufacturing, and Control) management and organizational management for many years at a pharmaceutical company that requires strict quality control, and possesses abundant management experience. Therefore, the Company expects him to give advice and supervise from an independent viewpoint, and determined that he should continue to be a candidate for Outside Director.</p> <p>Information on the Independent Officer: The Company designated him as an Independent Officer specified by the Tokyo Stock Exchange and registered him with the stock exchange, based on the judgment that no issue regarding conflict of interests is likely to occur with the general shareholders in accordance with the standards for independence prescribed by the Tokyo Stock Exchange and Standards for Selecting Independent Outside Officers specified by the Company.</p> <p>If his reappointment is approved, the Company plans for his appointment as an Independent Officer to continue.</p> <p>Outline of terms and conditions of limited liability agreement: The Company has, in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, concluded with him an agreement to limit his liability for damages as set forth in Article 423, paragraph (1) of the same Act. In this case, the maximum amount of liability for damages under said agreement will be the minimum amount set forth in Article 425, paragraph (1) of the Companies Act. If his reappointment is approved, said agreement will continue to be in effect.</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
7	Hisao Miyagawa (April 7, 1960) [Reappointment] [Outside] [Independent]	Apr. 1985 Joined Nomura Securities Co., Ltd. Sept. 2001 Senior Director, U.S. Thompson Financial Consulting Group Aug. 2007 Executive Manager, Senior Specialist, IB Consulting Dept., Nomura Securities Co., Ltd. Apr. 2010 Full-time Lecturer, Graduate School of Business, Osaka City University (current Osaka Metropolitan University) Oct. 2010 Associate Professor, Graduate School of Business, Osaka City University Apr. 2014 Professor, Graduate School of Business, Osaka City University (to present) Mar. 2015 Visiting Scholar, University of Washington June 2015 Outside Director, SUGIMURA WAREHOUSE CO., LTD. Apr. 2020 Visiting Scholar, School of Business Administration, Hitotsubashi Business School, Hitotsubashi University June 2022 Outside Director (Audit and Supervisory Committee Member), SUGIMURA WAREHOUSE CO., LTD. (to present) June 2024 Outside Director of the Company (to present)	0 shares
Matters Related to Candidacy for Outside Director Reasons for nomination as candidate for Outside Director and outline of expected roles: To enhance corporate value, we are working to improve capital profitability and strengthen governance. Hisao Miyagawa has many years of business experience in the capital market and has deep knowledge and an extensive track record of research in the corporate finance theory. Therefore, the Company expects him to give appropriate advice on and supervise management issues facing the Company from an independent viewpoint, and determined that he should continue to be a candidate for Outside Director. Information on the Independent Officer: The Company designated him as an Independent Officer specified by the Tokyo Stock Exchange and registered him with the stock exchange, based on the judgment that no issue regarding conflict of interests is likely to occur with the general shareholders in accordance with the standards for independence prescribed by the Tokyo Stock Exchange and Standards for Selecting Independent Outside Officers specified by the Company. If his reappointment is approved, the Company plans for his appointment as an Independent Officer to continue. Outline of terms and conditions of limited liability agreement: The Company has, in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, concluded with him an agreement to limit his liability for damages as set forth in Article 423, paragraph (1) of the same Act. In this case, the maximum amount of liability for damages under said agreement will be the minimum amount set forth in Article 425, paragraph (1) of the Companies Act. If his reappointment is approved, said agreement will continue to be in effect.			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Yoshiko Hamazaki (March 27, 1962) [New Appointment] [Outside] [Independent]	<p>Apr. 1982 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)</p> <p>Apr. 2005 Director, Panasonic Center OSAKA; in charge of Overseas, Showroom Strategy Planning Office</p> <p>Oct. 2009 Promotion Manager, Panasonic Risupia Vietnam Establishment</p> <p>Oct. 2011 Promotion Manager, Osaka North Yard Site Establishment Project</p> <p>Apr. 2014 Director, Panasonic Center TOKYO</p> <p>Oct. 2017 International Olympic Committee Culture and Olympic Heritage Commission member</p> <p>Feb. 2019 Director, Japan Olympic Museum, JAPANESE OLYMPIC COMMITTEE</p> <p>Nov. 2021 Retired from Panasonic Holdings Corporation</p> <p>Jan. 2022 Joined Comsis Co., Inc. Kansai Supervisor and Deputy General Manager, Business Administration Department; Manager, Corporate Planning Department; Manager, Business Strategy Planning Section, IoT System Department</p> <p>June 2024 Outside Director, Imasen Electric Industrial Co., Ltd. (to present)</p> <p>Mar. 2025 Retired from Comsis Co., Inc.</p>	0 shares
<p>Matters Related to Candidacy for Outside Director</p> <p>Reasons for nomination as candidate for Outside Director and outline of expected roles: The Company is working to enhance its brand power and promote diversity in order to strengthen governance and increase corporate value. Yoshiko Hamazaki has many years of experience in corporate branding operations at a general electric manufacturer, as well as experience in managing and operating major international events and regional development. Therefore, the Company expects her to give appropriate advice on and supervise management issues facing the Company from an independent viewpoint, and determined that she should be a candidate for Outside Director.</p> <p>Information on the Independent Officer: The Company judges that she has no possibility of having conflict of interest with general shareholders in accordance with the standards for independence prescribed by the Tokyo Stock Exchange and Standards for Selecting Independent Outside Directors specified by the Company.</p> <p>If she is elected as Director, the Company plans to designate her as an Independent Officer specified by the Tokyo Stock Exchange and register her with the stock exchange.</p> <p>Outline of terms and conditions of limited liability agreement: If she is elected as Director, the Company, in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, plans to conclude with her an agreement to limit her liability for damages as set forth in Article 423, paragraph (1) of the same Act. In this case, the maximum amount of liability for damages under said agreement is planned to be the minimum amount set forth in Article 425, paragraph (1) of the Companies Act.</p>			

- Notes:
1. There are no special interests between any of the above candidates and the Company.
 2. Yoshikazu Itou, Mitsunori Matsuda, Hisao Miyagawa, and Yoshiko Hamazaki are candidates for Outside Director.
 3. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph (1) of the Amendment of the Companies Act, and plans to renew the policy in December 2025. This insurance policy covers losses such as litigation expenses and claims for damages to be borne by the insured persons arising from corporate litigation, third-party litigation, derivative lawsuits, etc. If each candidate is reelected or elected, each candidate will be included as an insured person in the policy.
 4. The number of the Company's shares owned by each candidate that is shown includes ownership interests in the shareholding association made up of Officers of Sakai Chemical.

Reference

Directors' Skill Matrix

Under the mission of creating a sustainable future through chemistry, our Company aims to solve social issues through the power of chemistry. In order for our people and organizations to grow through our business activities, and in order to transform into an “exciting company” that shares joy with stakeholders as well as to achieve our management plan, we have examined and determined the skills necessary for our Directors and management team. The skill matrix of Directors, if the candidates listed in this convocation notice are elected as proposed, will be as follows:

No.	Name	Corporate management	R&D Production technology	Business strategy Marketing	Accounting Finance	Human resource Organizational management	Legal Risk management	ESG SDGs
1	Toshiyuki Yagura	●		●		●	●	●
2	Yasuhiro Okamoto		●					●
3	Hiroyuki Hattori				●		●	●
4	Koichiro Magara		●	●				●
5	Yoshikazu Itou	●	●		●	●		
6	Mitsunori Matsuda	●	●			●		
7	Hisao Miyagawa			●	●			●
8	Yoshiko Hamazaki			●		●		●

Definitions of skills are as follows:

Skill	Definition
Corporate management	The individual has experience as the president (CEO) of a subsidiary or other company, or has experience similar to this, and is able to make changes to structures such as business transformation, business expansion, and business sales using foresight.
R&D Production technology	The individual is well-versed in research and development, manufacturing, quality control, etc., and is able to create new businesses.
Business strategy Marketing	The individual is well-versed in business strategy and can serve as a responsible manager.
Accounting Finance	The individual is able to appropriately evaluate company performance, make investment decisions, and engage in communication and dialogue with capital markets.
Human resource Organizational management	The individual is well-versed in human resource and organizational management.
Legal Risk management	The individual is well-versed in legal affairs concerning corporate activities and is able to address emergent business risks and management risks.
ESG SDGs	The individual understands the position and the role of the Company's business in society, and is able to propose and execute management with a focus on sustainability.

Reference

<Standards for Selecting Independent Outside Officers>

In principle, if an Outside Officer of the Company does not correspond to any of the following persons, said Outside Officer will be deemed to be an independent person.

1. A person who is currently or in the past ten (10) years has been an Executive Director or employee (hereinafter referred to as “Executive”) of the Company or one of its subsidiaries (hereinafter referred to as the “Group”)
2. A current major shareholder of the Company (meaning a shareholder directly or indirectly holding five percent (5%) or more of voting rights) or its Executive
3. A major partner company of the Company (meaning a partner company for which transactions with the Group in the latest fiscal year provided two percent (2%) or more of the consolidated net sales of the Group or such partner company), or its Executive
4. A financial institution or any other major creditor that the Group requires for its fundraising and that the Group relies on and is irreplaceable for the Group or its Executive
5. A person who has fallen under 2 to 4 in the last three (3) years
6. The Executive of a corporation or any other entity that has received a donation of ten million (10,000,000) yen or more in the past three (3) years from the Group on average
7. A consultant, accounting specialist, or legal specialist (including a person who belongs to a corporation or entity if such consultant or specialist is a corporation or entity) who has received money or any other asset of ten million (10,000,000) yen or more in the past three (3) years from the Group on average, in addition to the officers’ remuneration
8. A person holding an executive position of a company that has appointed Executive of the Group as its Director
9. A spouse or relative (up to second degree) of any of the persons described in 1 to 8 above

Proposal 3: Payment of Directors' Bonuses

The Company wishes to pay Directors' bonuses of forty-six million (46,000,000) yen in total to the four (4) Directors excluding Outside Directors who are incumbent at the end of the fiscal year under review.

The specific amount, timing, method, etc. of payment to Directors will be resolved by the Board of Directors based on the "policy concerning the determination of remuneration for officers."

The Company has deemed this proposal as appropriate as it was decided by the Board of Directors after consulting with the Nomination and Remuneration Committee while giving general consideration to company performance, the results of each Director, etc.