

(Note) The following documents have 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.

Securities Code 4228

June 3, 2020

## To Our Shareholders

Masato Kashiwabara  
Representative Director  
President and Chief Executive Officer

**Sekisui Plastics Co., Ltd.**

2-4-4 Nishitenma, Kita-ku, Osaka

## Notice of the 76th Annual General Meeting of Shareholders

Dear Shareholders,

This is to notify you that the 76th Annual General Meeting of Shareholders for the fiscal year 2019 (from April 1, 2019 to March 31, 2020) will be held as described below:

**Instead of attending the meeting in person, it is possible to exercise your voting right by mail or through the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting right by 5:15 p.m. on Tuesday, June 23, 2020 (Japan Time) according to instructions described in this Notice.**

- 1. Date and time:** 10:00 a.m. on Wednesday, June 24, 2020
- 2. Place:** ANA Crowne Plaza Osaka Hotel, Manyo no Ma Room, 3<sup>rd</sup> Floor,  
1-3-1 Dojimahama, Kita-ku, Osaka

### 3. Agenda for the Meeting:

#### <Matters for Reporting>

1. Report on the Consolidated and Non-consolidated Financial Statements and the Business Report for the fiscal year 2019
2. The audit reports of the Accounting Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements

#### <Matters for Resolution>

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Nine (9) Directors
- Proposal 4:** Election of Four (4) Audit & Supervisory Board Members
- Proposal 5:** Determination of Remuneration for the Granting of Restricted Stock to Directors (Excluding Outside Directors)

#### **4. Instructions for Exercising Voting Rights by Mail or through the Internet**

(1) By mail:

Please indicate your approval or disapproval of the proposals on the enclosed Form of Exercising the Voting Right, and return the Form to us by mail. The Form must arrive by 5:15 p.m. on Tuesday, June 23, 2020 (Japan Time).

(2) Through the Internet:

Please access the Internet voting website (<https://evote.tr.mufg.jp/>), enter the “Login ID” and “Temporary password” described in the enclosed Form of Exercising the Voting Right and indicate your approval or disapproval of the proposals according to instructions displayed on the website. Deadline for exercising voting right is 5:15 p.m. on Tuesday, June 23, 2020 (Japan Time).

If your voting right is exercised more than once through the Internet, the last vote will only be accepted as valid.

In case of duplication of voting right exercise by mail and through the Internet, the vote exercised through the Internet will only be accepted as valid.

#### **5. Internet Disclosure**

Pursuant to the applicable laws and regulations, and the provision of Article 16 of the Articles of Incorporation, the following documents are disclosed and available on our website (<https://www.sekisuiplastics.co.jp/>) and not attached to this Notice.

- (i) “Systems for ensuring properness of business activities and summary of the outline of the operation of the system” in the Business Reports section
- (ii) “Consolidated statement of changes in net assets” in the Consolidated Financial Statements section
- (iii) “Notes to consolidated financial statements” in the Consolidated Financial Statements section
- (iv) “Statement of changes in net assets” in the Non-consolidated Financial Statements section
- (v) “Notes to non-consolidated financial statements” in the Non-consolidated Financial Statements section

#### **6. Notification Method for Revisions and Changes**

If there are any revisions and/or changes in the Notice or any other related documents, we will notify you on our website (<https://www.sekisuiplastics.co.jp/>).

- 
- For shareholders attending the meeting, please submit the enclosed Form of Exercising the Voting Right to us at the reception desk. To prevent the spread of the novel coronavirus diseases (COVID-19), we will arrange the seating to leave as much space as possible between shareholders within the venue. Therefore, please be aware that we will restrict entry if a large number of shareholders come to the venue.

# Reference Documents for the Annual General Meeting of Shareholders

## Details of Proposals

### Proposal 1      Appropriation of Surplus

The Board of Directors proposes that the appropriation of surplus be resolved as follows:

#### The year-end dividend

Sekisui Plastics Co., Ltd. (the Company) regards profit distribution to shareholders as an important managerial issue. Our basic policy on profit distribution is to carry out stable dividend payment that is in line with the trend of consolidated operating results while ensuring that sufficient retained earnings are allocated to strengthen the operating structure and future business development. For the dividend policy, the Company's target for the consolidated dividend payout ratio is 30-40%. After careful examination based on the aforementioned basic policy on profit distribution, etc. and dividend policy, the Company had decided to pay year-end dividends for the fiscal year under review of 17 yen per share.

(1) Type of dividend property:

Cash

(2) Allocation of the dividend property and the total amount thereof:

The proposed dividend amount: 17 yen per common share

The total dividend amount: 770,426,825 yen

Following the interim dividend of 13 yen per share paid on December 4, 2019, the annual dividend for this term will amount to 30 yen per share, which is the same amount as the previous term.

(3) Effective date of distributing dividends from surplus:

June 25, 2020

## Proposal 2 Partial Amendments to the Articles of Incorporation

The Board of Directors proposes the change of the English trade name of the Company as follows:

### 1. Reason for Amendments

On the occasion of the 60th anniversary in October 2019, the Company will change how its trade name is presented in English as provided in Article 1 of the current Articles of Incorporation in order to standardize its brand image in Japan and overseas and contribute to the expansion of global business in line with the 100th Year Vision.

This change of trade name shall take effect from June 24, 2020.

### 2. Details of Amendments

Details of the amendments are as follows.

(Changes are underlined)

Current Articles of Incorporation
(Trade Name) Article 1: The name of the Company shall be “Sekisui Kaseihin Kogyo Kabushiki Gaisha,” and in English it shall be “ <u>Sekisui Plastics Co., Ltd.</u> ”
Proposed Amendment
(Trade Name) Article 1: The name of the Company shall be “Sekisui Kaseihin Kogyo Kabushiki Gaisha,” and in English it shall be “ <u>Sekisui Kasei Co., Ltd.</u> ”

### Proposal 3 Election of Nine (9) Directors

The term of office of all 9 Directors (including 3 Outside Directors) expires at the conclusion of this Annual General Meeting of Shareholders. Accordingly, it is proposed that 9 Directors, including 3 Outside Directors, be elected.

All candidates for Directors are determined by the Board of Directors based on consultations of the “Nominating and Compensation Advisory Committee” with a majority of the Company’s Independent Outside Directors.

The candidates for Director are as follows:

#### Candidates for Director

Candidate #	Name	Current Position and Duties at the Company	
1	Masato Kashiwabara	President and Representative Director Chief Executive Officer	Reelection
2	Tetsuya Ikegaki	Director Senior Managing Executive Officer	Reelection
3	Tetsuharu Hirota	Director Managing Executive Officer	Reelection
4	Tetsuya Shiota	Director Managing Executive Officer	Reelection
5	Katsumi Sasaki	Director Managing Executive Officer	Reelection
6	Hideyuki Asada	Executive Officer	New election
7	Hiroyuki Bamba	Outside Director	Candidate for independent outside director Reelection
8	Morio Kubota	Outside Director	Candidate for independent outside director Reelection
9	Naoto Kitagawa		Candidate for independent outside director New election

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
1	(Reelection) <b>Masato Kashiwabara</b> 60 years old (June 29, 1959)  (Attendance rate) 100% at meetings of the Board of Directors	April 1983: Joined the Company June 2008: Director June 2011: Managing Director June 2013: Vice President and Representative Director, Vice-chief Executive Officer June 2014: President and Representative Director, Chief Executive Officer (current position)	164,820
<b>Reason for nomination as candidate for Director</b>			
Mr. Masato Kashiwabara has been properly supervising management as the President and Representative Director. At meetings of the Board of Directors, he provides sufficient and appropriate explanations about important issues in management, thus improving the decision-making functions of the Board of Directors. In addition, as Chief Executive Officer, he takes command of management and strives to improve sustainable corporate value. Because of the above, the Company judges him to be an appropriate person as a leader for realization of its long-term vision, and requests his continuous election as Director.			
<b>Number of years in office since first appointment as Director</b>			
Mr. Masato Kashiwabara is currently a Director of the Company. His term of office as Director will have been 12 years at the conclusion of this Annual General Meeting of Shareholders.			
2	(Reelection) <b>Tetsuya Ikegaki</b> 62 years old (March 13, 1958)  (Attendance rate) 100% at meetings of the Board of Directors	April 1980: Joined the Company June 2009: Director October 2009: General Manager of Planning Department, The 1st Business Headquarters June 2013: Director, Managing Executive Officer Head of The 1st Business Headquarters June 2017: Head of Administration Headquarters June 2018: Director, Senior Managing Executive Officer (current position)	125,695
<b>Reason for nomination as candidate for Director</b>			
Mr. Tetsuya Ikegaki plays a role in management as Head of the Administration Headquarters, placing him responsible for administration divisions including personnel affairs and legal affairs. Before then, he was engaged in finance and accounting and corporate planning divisions, business divisions and served as General Manager of business divisions and as a person in charge of the Company's core businesses, and he therefore has wide-ranging experience and abundant knowledge. Because of the abundant experience he has cultivated so far, the Company judges him to be an appropriate person for realizing sustainable improvement of corporate value, and requests his continuous election as Director.			
<b>Number of years in office since first appointment as Director</b>			
Mr. Tetsuya Ikegaki is currently a Director of the Company. His term of office as Director will have been 11 years at the conclusion of this Annual General Meeting of Shareholders.			

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
3	<p>(Reelection) <b>Tetsuharu Hirota</b> 61 years old (January 24, 1959)</p> <p>(Attendance rate) 100% at meetings of the Board of Directors</p>	<p>April 1984: Joined the Company</p> <p>June 2011: Director</p> <p>June 2013: Resigned from post of Director Executive Officer</p> <p>September 2013: Deputy Head of The 2nd Business Headquarters General Manager of Global Division Chief of Global Business Planning Department Deputy Head of The 3rd Business Headquarters</p> <p>April 2014: Deputy Head of The 2nd Business Headquarters General Manager of Automotive Components &amp; Shipping Systems Business Division</p> <p>March 2015: Deputy Head of The 2nd Business Headquarters</p> <p>June 2015: Managing Executive Officer</p> <p>May 2016: Head of The 2nd Business Headquarters</p> <p>June 2016: Director, Managing Executive Officer</p> <p>April 2019: Head of The 2nd Business Headquarters, Supervising Information System Department (current position)</p>	88,249
<p><b>Reason for nomination as candidate for Director</b></p> <p>Mr. Tetsuharu Hirota currently plays a role in management as Head of The 2nd Business Headquarters, placing him in control of new businesses and global business. Before then, he was engaged in business divisions and served as General Manager of business divisions, and he therefore has wide-ranging experience and abundant knowledge. Because of the abundant experience he has cultivated so far, the Company judges him to be an appropriate person for realizing sustainable improvement of corporate value, and requests his continuous election as Director.</p> <p><b>Number of years in office since first appointment as Director</b></p> <p>Mr. Tetsuharu Hirota is currently a Director of the Company. His term of office as Director will have been 4 years at the conclusion of this Annual General Meeting of Shareholders.</p>			

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
4	(Reelection) <b>Tetsuya Shiota</b> 61 years old (May 26, 1959)  (Attendance rate) 100% at meetings of the Board of Directors	April 1983: Joined the Company June 2015: Executive Officer Deputy Head of The 1st Business Headquarters June 2017: Head of The 1st Business Headquarters Director, Managing Executive Officer February 2020: Head of The 1st Business Headquarters, Supervising Business Research Department (current position)	49,409

**Reason for nomination as candidate for Director**

Mr. Tetsuya Shiota currently plays a role in management as Head of The 1st Business Headquarters, placing him in charge of the Company's core businesses. Before then, he was engaged in business divisions, and served as president of significant subsidiaries, as General Manager of the business divisions, and as Deputy Head of The 1st Business Headquarters, and he therefore has wide-ranging experience and abundant knowledge. Because of the abundant experience he has cultivated so far, the Company judges him to be an appropriate person for realizing sustainable improvement of corporate value, and requests his continuous election as Director.

**Number of years in office since first appointment as Director**

Mr. Tetsuya Shiota is currently a Director of the Company. His term of office as Director will have been 3 years at the conclusion of this Annual General Meeting of Shareholders.

5	(Reelection) <b>Katsumi Sasaki</b> 60 years old (May 5, 1960)  (Attendance rate) 100% at meetings of the Board of Directors	April 1983: Joined the Company June 2012: Director June 2013: Resigned from post of Director Executive Officer General Manager of Planning Department, The 2nd Business Headquarters General Manager of Planning Department, The 3rd Business Headquarters April 2014: General Manager of Planning Department, The 2nd Business Headquarters February 2017: Head of Corporate Planning Center, Strategic Management Headquarters June 2017: Managing Executive Officer June 2018: Director, Managing Executive Officer Head of Corporate Strategic Headquarters (current position)	75,292
---	--	--	--------

**Reason for nomination as candidate for Director**

Mr. Katsumi Sasaki currently plays a role in management as Head of Corporate Strategic Headquarters, which is the core of the corporate planning division. Before then, he was engaged in the corporate planning divisions, and served as president of significant subsidiaries, and as General Manager of the Planning Department. of the Business Headquarters, and he therefore has wide-ranging experience and abundant knowledge. Because of the abundant experience he has cultivated so far, the Company judges him to be an appropriate person for realizing sustainable improvement of corporate value, and requests his continuous election as Director.

**Number of years in office since first appointment as Director**

Mr. Katsumi Sasaki is currently a Director of the Company. His term of office as Director will have been 2 years at the conclusion of this Annual General Meeting of Shareholders.



Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
6	(New election) <b>Hideyuki Asada</b> 53 years old (March 17, 1967)	<p>April 1989: Joined the Company</p> <p>March 2016: Head of Global Technical Center, The 2nd Business Headquarters</p> <p>June 2016: Executive Officer</p> <p>April 2019: Head of Research &amp; Development Center General Manager of Development Department</p> <p>April 2020: Head of Research &amp; Development Center General Manager of Basic Research Laboratory (current position)</p>	18,080

**Reason for nomination as candidate for Director**

Mr. Hideyuki Asada currently plays a role in management as Head of the Research & Development Center, placing him in control of operations concerning the development of new products, research, and intellectual property. Before then, he headed up technical divisions of business divisions, and he therefore has wide-ranging experience and abundant knowledge. Because of the abundant experience he has cultivated so far, the Company judges him to be an appropriate person for realizing sustainable improvement of corporate value, and requests his election as Director.

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
7	<p>(Candidate for Independent Outside Director) (Reelection)</p> <p><b>Hiroyuki Bamba</b> 66 years old (January 27, 1954)</p> <p>(Attendance rate) 100% at meetings of the Board of Directors</p>	<p>April 1976: Joined Sumitomo Rubber Industries, Ltd.</p> <p>March 2000: Director of Sumitomo Rubber Industries, Ltd.</p> <p>March 2003: Executive Officer of Sumitomo Rubber Industries, Ltd.</p> <p>July 2003: Resigned from post of Executive Officer of Sumitomo Rubber Industries, Ltd.</p> <p>President and Representative Director of SRI Sports Limited (currently Sumitomo Rubber Industries, Ltd.)</p> <p>March 2011: Chairman and Representative Director of SRI Sports Limited</p> <p>March 2013: Resigned from post of Representative Director of SRI Sports Limited</p> <p>March 2015: Resigned from post of Chairman and Director of SRI Sports Limited Counselor of SRI Sports Limited (Resigned from post in December 2017)</p> <p>June 2015: Director of the Company</p> <p>June 2017: Outside Director of Kobe Steel, Ltd.</p> <p>January 2018: Advisor of Sumitomo Rubber Industries, Ltd. (Resigned from post in February 2019) (current position) (Significant concurrent positions outside the Company) Outside Director of Kobe Steel, Ltd.</p>	8,469
<p><b>Reason for nomination as candidate for Outside Director</b></p> <p>Mr. Hiroyuki Bamba has engaged in corporate management for many years, and his abundant knowledge and experience will enable him to contribute to strengthening corporate governance by providing advice on the Company's business execution from an independent point of view. Therefore, the Company requests his continuous election as Outside Director.</p> <p><b>Number of years in office since first appointment as Outside Director</b></p> <p>Mr. Hiroyuki Bamba is currently an Outside Director of the Company. His term of office as outside director will have been 5 years at the conclusion of this Annual General Meeting of Shareholders.</p>			

**Other matters concerning the candidate for Outside Director**

- (1) Mr. Hiroyuki Bamba has been reported as an Independent Director to the Tokyo Stock Exchange. The Company plans that he will continue to be an Independent Director if his re-election is approved.
- (2) Mr. Hiroyuki Bamba served as Representative Director of Sumitomo Rubber Industries, Ltd. up until 2013. There are no business relationships between Sumitomo Rubber Industries, Ltd. and the Group. Although the Group conducts product related trade and other transactions with Kobe Steel Group, there were no sales from the Group, and the amount of sales from the Kobe Steel Group was less than 0.01% of their consolidated net sales in FY 2019. He fulfills the “Criteria for Election Appointment and Independence of Outside Board Members” prescribed by the Company. Therefore, the Company judges that he has sufficient independence from the Company.
- (3) In October 2017, it was found that Kobe Steel, Ltd., where Mr. Hiroyuki Bamba has served as Outside Director, and its group companies had engaged in inappropriate conduct in falsifying or fabricating inspection data for products, etc. falling short of public standards or customer specifications, and shipping or delivering those products to customers as if they conformed to the public standards or customer specifications with regard to the products and services delivered by Kobe Steel Group. Although he was not aware of these facts until they came to light, he had regularly made recommendations concerning the company’s ideal structure as a corporation and recommendations from the perspective of promoting compliance on several occasions including at the meetings of the Board of Directors of Kobe Steel, Ltd., and has drawn attention to these matters. Since these facts came to light, he has expressed several opinions at the meetings of the Board of Directors of Kobe Steel, Ltd. regarding the investigation into the causes of the inappropriate conduct, safety verification, and the adequateness and validity of investigation methods. Furthermore, as a member of the Quality Governance Restructuring Deliberation Committee, he contributed to the establishment of measures to prevent recurrence by proactively expressing constructive opinions concerning measures for strengthening quality governance of Group companies, organizational reforms, awareness reforms, and use of external talents, as well as reinforcement of the functions of overseas holding companies, based on his knowledge and experience.

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
8	(Candidate for Independent Outside Director) (Reelection) <b>Morio Kubota</b> 67 years old (November 23, 1952)  (Attendance rate) 100% at meetings of the Board of Directors	<p>April 1977: Joined Okura &amp; Co., Ltd.</p> <p>March 1996: Director of ORBCOMM Japan Planning Limited (currently ORBCOMM Japan Limited)</p> <p>August 1998: Resigned from Okura &amp; Co., Ltd.</p> <p>June 2002: Representative Director, Managing Director of ORBCOMM Japan Limited</p> <p>October 2007: Resigned from post of Managing Director of ORBCOMM Japan Limited</p> <p>September 2017: Resigned from post of Representative Director of ORBCOMM Japan Limited</p> <p>October 2017: Counselor of ORBCOMM Japan Limited (Resigned from post in August 2018)</p> <p>June 2018: Director of the Company (current position)</p>	1,174

**Reason for nomination as candidate for Outside Director**

Mr. Morio Kubota has engaged in corporate management for many years, and his abundant knowledge and experience will enable him to contribute to strengthening corporate governance by providing advice on the Company's business execution from an independent point of view. Therefore, the Company requests his continuous election as Outside Director.

**Number of years in office since first appointment as Outside Director**

Mr. Morio Kubota is currently an Outside Director of the Company. His term of office as Outside Director will have been 2 years at the conclusion of this Annual General Meeting of Shareholders.

**Other matters concerning the candidate for Outside Director**

- (1) Mr. Morio Kubota has been reported as an Independent Director to the Tokyo Stock Exchange. The Company plans that he will continue to be an Independent Director if his re-election is approved.
- (2) Mr. Morio Kubota served as Representative Director of ORBCOMM Japan Limited up until 2017. There are no business relationships between ORBCOMM Japan Limited and the Group. He also fulfills the "Criteria for Election and Independence of Outside Board Members" prescribed by the Company. Therefore, the Company judges that he has sufficient independence from the Company.

Candidate #	Name (Date of Birth)	Brief History and Position and Duties at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
9	(Candidate for Independent Outside Director) New election <b>Naoto Kitagawa</b> 66 years old (December 8, 1953)	<p>April 1976: Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)</p> <p>June 2006: Resigned from Toyota Motor Corporation Executive Officer of Daihatsu Motor Co., Ltd.</p> <p>June 2008: Director, Senior Executive Officer of Daihatsu Motor Co., Ltd.</p> <p>April 2010: Director, Senior Managing Executive Officer of Daihatsu Motor Co., Ltd. (Resigned from post in June 2015)</p>	0

**Reason for nomination as candidate for Outside Director**

Mr. Naoto Kitagawa has engaged in corporate management for many years, and his abundant knowledge and experience will enable him to contribute to strengthening corporate governance by providing advice on the Company's business execution from an independent point of view. Therefore, the Company requests his election as Outside Director.

**Other matters concerning the candidate for Outside Director**

- (1) With the condition that this proposal be approved, Naoto Kitagawa has been reported as an Independent Director to the Tokyo Stock Exchange.
- (2) Naoto Kitagawa served as Director of Daihatsu Motor Co., Ltd. up until 2015. There are no business relationships between Daihatsu Motor Co., Ltd. and the Group. He also fulfills the "Criteria for Election and Independence of Outside Board Members" prescribed by the Company. Therefore, the Company judges that he has sufficient independence from the Company.

- Notes:
1. There are no special interests existing between each of the candidates and the Company.
  2. In accordance with the Company's Articles of Incorporation, the Company concluded an agreement limiting liability with Mr. Hiroyuki Bamba and Mr. Morio Kubota to limit the liability for damages provided in Article 423, paragraph (1) of the Companies Act. If their re-election is approved, the Company intends to continue the agreement limiting liability with them. In addition, if the election of Mr. Naoto Kitagawa is approved, the Company intends to enter into the agreement limiting liability with him.  
The following is an outline of the content of the agreement limiting liability.  
A Director (excluding Executive Director, etc.), with the agreement limiting liability made, shall be liable for damages up to the minimum liability amount as defined in Article 425, paragraph (1) of the Companies Act, provided that his/her duties are performed in good faith and without gross negligence.

(Reference)

Please refer to "Criteria for Election and Independence of Outside Board Members" prescribed by the Company, which is posted on the website of the Company.

( <https://www.sekisuiplastics.co.jp/assets/images/company/pdf/policy.pdf> )

#### Proposal 4 Election of Four (4) Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Member Masayuki Moriya, Yuichi Hamabe, Morinobu Nagahama and Keizo Kosaka expires at the conclusion of this Annual General Meeting of Shareholders. Accordingly, it is proposed that 4 Audit & Supervisory Board Members, including 3 Outside Audit & Supervisory Board Members be elected.

The consent of the Audit & Supervisory Board has been obtained in advance for this proposal. The candidates for the Audit & Supervisory Board Member is as follows:

Candidate #	Name (Date of Birth)	Brief History and Position at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
1	(New election) <b>Kojiro Takekoshi</b> 60 years old (December 16, 1959)	<p>April 1978: Joined the Company</p> <p>September 2004: General Manager of General Affairs Department</p> <p>February 2017: General Manager of Legal Department, Administration Headquarters</p> <p>November 2018: General Manager of Finance &amp; Accounting Department, Administration Headquarters</p> <p>February 2020: Assistant of Head of Administration Headquarters (current position)</p>	23,077
<p><b>Reason for nomination as candidate for Audit &amp; Supervisory Board Members</b></p> <p>Mr. Kojiro Takekoshi has an abundant knowledge and experience having been engaged in general affairs, legal affairs, and corporate finance &amp; accounting, and possesses a considerable knowledge related to finance and accounting. Because of the above, the Company judges him to be an appropriate person to be an Audit &amp; Supervisory Board Member, and requests his election.</p>			
2	(Candidate for Outside Audit & Supervisory Board Member) (New election) <b>Toshitaka Fukunaga</b> 64 years old (April 7, 1956)	<p>April 1979: Joined Sekisui Chemical Co., Ltd.</p> <p>April 2011: Executive Officer of Sekisui Chemical Co., Ltd.</p> <p>April 2017: Managing Executive Officer of Sekisui Chemical Co., Ltd.</p> <p>April 2020: Full-time Advisor of Sekisui Chemical Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Full-time Audit &amp; Supervisory Board Member of Sekisui Chemical Co., Ltd. (scheduled to take office in June 2020)</p>	0
<p><b>Reason for nomination as candidate for Outside Audit &amp; Supervisory Board Members</b></p> <p>Mr. Toshitaka Fukunaga has been engaged in corporate management for many years, and the Company requests his election as an Outside Audit &amp; Supervisory Board Member, to make use of the abundant knowledge and experience for auditing of the Company.</p>			

Candidate #	Name (Date of Birth)	Brief History and Position at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
<p><b>Other matters concerning the candidate for Outside Audit &amp; Supervisory Board Members</b></p> <p>(1) Mr. Toshitaka Fukunaga is scheduled to take office of standing Full-time Audit &amp; Supervisory Board Member of Sekisui Chemical Co., Ltd., which holds 21.75% of the shares of the Company, therefore the Company does not designate him as an Independent Audit &amp; Supervisory Board Member. Furthermore, although the Group conducts product related trade and other transactions with Sekisui Chemical Group, the amount of sales from the Group was less than 0.29% of the Company's consolidated net sales in FY 2019, while the amount of sales from the Sekisui Chemical Group less than 0.06% of Sekisui Chemical Co., Ltd.'s consolidated net sales in FY 2019, therefore the Company judges that the independence of Mr. Fukunaga as an Outside Audit &amp; Supervisory Board Member will not be harmed.</p> <p>(2) Mr. Toshitaka Fukunaga, as indicated in his Brief History, received remuneration, etc., in the past two years up until March 2020 from Sekisui Chemical Co., Ltd., having served as a person executing business in Sekisui Chemical Co., Ltd., which is a specified associated service provider for the Company. Furthermore, he plans to be elected as Audit &amp; Supervisory Board Member of Sekisui Chemical Co., Ltd., at its general meeting of shareholders to be held in June 2020.</p>			

Candidate #	Name (Date of Birth)	Brief History and Position at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
3	<p>(Candidate for Independent Outside Audit &amp; Supervisory Board Member) (Reelection)</p> <p><b>Morinobu Nagahama</b> 63 years old (December 18, 1956)</p> <p>(Attendance rate) 81% at meetings of the Board of Directors</p> <p>83% at meetings of the Audit &amp; Supervisory Board</p>	<p>April 1979: Joined The Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>September 2008: Executive Officer of The Dai-ichi Mutual Life Insurance Company</p> <p>April 2013: Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited</p> <p>June 2014: Director, Managing Executive Officer of The Dai-ichi Mutual Life Insurance Company, Limited Audit &amp; Supervisory Board Member of the Company</p> <p>April 2016: Director, Senior Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited (Resigned from post in September 2016)</p> <p>October 2016: Director (Audit and Supervisory Committee Member (Full-Time)) of Dai-ichi Life Holdings, Inc. (current position) (Significant concurrent positions outside the Company) Director (Audit and Supervisory Committee Member (Full-Time)) of Dai-ichi Life Holdings, Inc.</p>	6,561
<p><b>Reason for nomination as candidate for Outside Audit &amp; Supervisory Board Members</b></p> <p>Mr. Morinobu Nagahama has been engaged in corporate management for many years, and the Company requests his continuous election as an Outside Audit &amp; Supervisory Board Member, to make use of the abundant knowledge and experience for auditing of the Company.</p> <p><b>Number of years in office since first appointment as Outside Audit &amp; Supervisory Board Members</b></p> <p>Mr. Morinobu Nagahama is currently an Outside Audit &amp; Supervisory Board Member of the Company. His term of office as Outside Audit &amp; Supervisory Board Member is 6 years at the conclusion of this Annual General Meeting of Shareholders.</p> <p><b>Other matters concerning the candidate for Outside Audit &amp; Supervisory Board Members</b></p> <p>(1) Mr. Morinobu Nagahama has been reported as an Independent Audit &amp; Supervisory Board Member to the Tokyo Stock Exchange. The company plans that he will continue to be an Independent Audit &amp; Supervisory Board Member if his re-election is approved.</p> <p>(2) Although the Group has concluded an insurance agreement with The Dai-ichi Life Insurance Company, Limited, which is a subsidiary of Dai-ichi Life Holdings, Inc., where Mr. Morinobu Nagahama serves as Director (Audit and Supervisory Committee Member), the amount of payments including insurance premiums to The Dai-ichi Life Insurance Company, Limited was less than 0.01% of consolidated ordinary revenue of Dai-ichi Life Holdings, Inc. in FY 2019. In addition, Dai-ichi Life Holdings Inc. Group does not correspond to a major lender of the Company. He fulfills the “Criteria for Election and Independence of Outside Board Members” prescribed by the Company. Based on the above, the Company judges that he has sufficient independence from the Company.</p>			



Candidate #	Name (Date of Birth)	Brief History and Position at the Company (Significant Concurrent Positions outside the Company)	Number of shares of the Company held
4	(Candidate for independent outside audit & supervisory board member) (Reelection) <b>Keizo Kosaka</b> 74 years old (December 11, 1945)  (Attendance rate) 88% at meetings of the Board of Directors  92% at meetings of the Audit & Supervisory Board	<p>April 1970: Registered as attorney at law, Joined Irokawa Law Office</p> <p>January 2001: Representative of Irokawa Law Office</p> <p>March 2009: Outside Director of Sumitomo Rubber Industries, Ltd.</p> <p>June 2012: Audit &amp; Supervisory Board Member of the Company</p> <p>June 2016: Outside Auditor of TECHNO ASSOCIE CO., LTD.</p> <p>January 2017: Adviser of Irokawa Law Office</p> <p>January 2020: Chairman of Irokawa Legal Professional Corporation (current position)</p> <p>(Significant concurrent positions outside the Company) Attorney at law, Chairman of Irokawa Legal Professional Corporation Outside Director of Sumitomo Rubber Industries, Ltd. Outside Auditor of TECHNO ASSOCIE CO., LTD.</p>	0

**Reason for nomination as candidate for Outside Audit & Supervisory Board Members**

Mr. Keizo Kosaka has wide-ranging knowledge of corporate legal affairs as a lawyer, and the Company requests his continuous election as an Outside Audit & Supervisory Board Member, to make use of his knowledge for the auditing of the Company. Although Mr. Kosaka has not been engaged in corporate management other than by way of being an outside officer, the Company judges him capable of properly executing duties as an Outside Audit & Supervisory Board Member of the Company based on the above reasons.

**Number of years in office since first appointment as Outside Audit & Supervisory Board Members**

Mr. Keizo Kosaka is currently an Outside Audit & Supervisory Board Member of the Company. His term of office as Outside Audit & Supervisory Board Member is 8 years at the conclusion of this Annual General Meeting of Shareholders.

**Other matters concerning the candidate for Outside Audit & Supervisory Board Members**

- (1) Mr. Keizo Kosaka has been reported as an Independent Audit & Supervisory Board Member to the Tokyo Stock Exchange. The Company plans that he will continue to be an Independent Audit & Supervisory Board Member if his re-election is approved.
- (2) Mr. Keizo Kosaka fulfills the “Criteria for Election and Independence of Outside Board Members” prescribed by the Company, therefore the Company judges that he has sufficient independence from the Company.

- Notes
1. There are no special interests existing between each of the candidates and the Company.
  2. In accordance with the Company’s Articles of Incorporation, the Company concluded an agreement limiting liability with Mr. Morinobu Nagahama and Mr. Keizo Kosaka to limit the liability for damages provided in Article 423, paragraph (1) of the Companies Act. If their re-election is approved, the Company intends to continue the agreement limiting liability with them. Also, if election of Mr. Toshitaka Fukunaga is approved, the Company intends to conclude an agreement limiting liability with him. The following is an outline of the content of the agreement limiting liability.  
An Audit & Supervisory Board Member, with the agreement limiting liability made, shall be liable for damages up to the minimum amount of liability as defined in Article 425, paragraph (1) of the Companies Act, provided that his/her duties are performed in good faith and without gross negligence.

3. If this proposal is approved, the Audit & Supervisory Board is scheduled to be comprised of the following.

Name	Position at the Company	Term of office (at the conclusion of this Annual General Meeting of Shareholders)
Koichi Miyashita (February 3, 1957)	Full-time Audit & Supervisory Board Member	3 years
Kojiro Takekoshi (December 16, 1959)	Full-time Audit & Supervisory Board Member	(New election)
Toshitaka Fukunaga (April 7, 1956)	Outside Audit & Supervisory Board Member	(New election)
Morinobu Nagahama (December 18, 1956)	Outside Audit & Supervisory Board Member	6 years
Keizo Kosaka (December 11, 1945)	Outside Audit & Supervisory Board Member	8 years

(Reference)

Please refer to “Criteria for Election and Independence of Outside Board Members” prescribed by the Company, which is posted on the website of the Company.  
( <https://www.sekisuiplastics.co.jp/assets/images/company/pdf/policy.pdf> )

## **Proposal 5 Determination of Remuneration for the Granting of Restricted Stock to Directors (Excluding Outside Directors)**

The Board of Directors proposes the payment of remuneration to Directors, excluding Outside Directors, of the Company (“Eligible Directors”) within the remuneration amount already approved for granting restricted stock to the Eligible Directors, as part of the revision to its remuneration package for Directors.

### **1. Purpose of Introducing the Plan**

The purpose of this restricted stock remuneration plan (the “Plan”) is to further promote shared value between the shareholders and Eligible Directors by clarifying the linkages between the remuneration of Directors and the Company’s share price and providing the Eligible Directors with an incentive to contribute to increasing the Company’s corporate value and enhancing medium- and long-term business performance.

### **2. Overview of the Plan**

Under the Plan, the Company shall pay to Eligible Directors, as remuneration, monetary claims (“Monetary Remuneration Claims”) for their acquisition of the Company’s shares. The Eligible Directors will pay in to the Company all Monetary Remuneration Claims they were paid in the form of property contributed in kind. In turn, the Eligible Directors will receive issuance or disposition of the Company’s common shares, and an agreement will be concluded between the Company and the Eligible Directors to impose restrictions on the transfer of the shares by the Eligible Directors for a predetermined period (for details, see “3.” below).

The details of the Plan are presented below.

#### **(1) Remuneration limit under the Plan**

Remuneration to be paid to Eligible Directors under the Plan as Monetary Remuneration Claims shall be within the remuneration limit already approved at the general meeting of shareholders.

On the assumption that the remuneration limit (Note 1) is 300 million yen per year for Directors of the Company, 60 million yen of which is for Outside Directors (Note 2), the total amount of Monetary Remuneration Claims to be paid to Eligible Directors based on the Plan will be up to 50 million yen, which is considered appropriate for the aforementioned purpose. Please note that remuneration to be paid under the Plan shall not include employee salaries of Directors who concurrently serve as employees.

Notes: 1. Does not include employee salaries of Directors who concurrently serve as employees.

2. Resolution of the 74th Annual General Meeting of Shareholders held on June 22, 2018

#### **(2) Limit on the total number of common shares to be issued or disposed of**

Eligible Directors shall pay in all Monetary Remuneration Claims to be provided under the Plan in the form of property contributed in kind, and shall, in return, receive common shares of the Company that shall be issued or disposed of by the Company. The total number of common shares (“Shares”) to be newly issued or disposed of by the Company under the Plan shall be up to 150,000 shares per year.

However, if any reason arises necessitating an adjustment to the total number of the Shares in case of a share split (including allotment of shares without contribution) or a share consolidation of the Company’s common shares, with an effective date on or after the day of this general meeting of shareholders, the total number of the Shares shall be adjusted to the extent reasonable in accordance with the ratio of the share split or share consolidation on or after the effective date thereof.

#### **(3) Determination of payment amount and other specific conditions**

The specific payment timing and allocation amount of Monetary Remuneration Claims for each Eligible Director will be determined by the Board of Directors.

The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price on the closest preceding trading day). The amount shall be within an amount that will not be particularly favorable to Eligible Directors who subscribe the Company's common shares.

**(4) Number of Directors**

There are currently nine Directors (including three Outside Directors). If Proposal 3 "Election of Nine (9) Directors" is approved and adopted in its original form, there will continue to be nine Directors (including three Outside Directors) at the conclusion of this Annual General Meeting of Shareholders.

**3. Allotment Agreement**

Under the Plan, an allotment agreement ("Allotment Agreement") including the following contents will be concluded between the Company and Eligible Directors before issuance or disposition of the Shares by the Company.

**(1) Restriction period**

Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of ("Transfer Restriction") the Company's common shares which are allotted under the Allotment Agreement ("Allotted Shares") for 30 years from the date of allotment of the Shares under the Allotment Agreement ("Restriction Period").

**(2) Lifting of Transfer Restriction**

Notwithstanding the provision of (1) above, the Company shall lift the Transfer Restriction of Allotted Shares in case of any of the following conditions.

**(i) In case of expiry of the Restriction Period**

If an Eligible Director has served as the Company's Director, Executive Officer or other position designated by the Board of Directors in advance ("Specified Position") continually during the Restriction Period, the Company shall lift the Transfer Restriction for all Allotted Shares at the expiry of the Restriction Period.

**(ii) In case of retirement during the Restriction Period**

If an Eligible Director retires from a Specified Position during the Restriction Period, and when that retirement is due to expiry of the term of office, death or other justifiable reasons, the Company shall lift the Transfer Restriction for the number of Allotted Shares reasonably adjusted based on the term of office of the Specified Position at the time of said retirement. The Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restriction has not been lifted.

**(iii) In case of reorganization, etc.**

During the Restriction Period, if matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement in which the Company becomes a wholly owned subsidiary, or other reorganization (collectively, "Reorganization") are approved at the Company's general meeting of shareholders or its Board of Directors meeting, the Company shall lift the Transfer Restriction on the number of Allotted Shares reasonably adjusted based on the term of office of the Specified Position of each Eligible Director prior to the date on which the Reorganization becomes effective, by resolution of the Board of Directors. The Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restriction has not been lifted.

**(3) Administration of the Allotted Shares**

In order to prevent the transfer or other disposition of the Allotted Shares during the

Restriction Period, Eligible Directors shall have their Allotted Shares administered in a dedicated account during the Restriction Period.

(4) **Other matters**

Other matters concerning the Allotment Agreement shall be prescribed by the Company's Board of Directors.

The end of the Reference Documents