

THE FOLLOWING IS AN ENGLISH TRANSLATION PREPARED FOR THE CONVENIENCE OF THE SHAREHOLDERS AND INVESTORS. THE OFFICIAL TEXT IN JAPANESE OF THE NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS HAS BEEN PREPARED IN ACCORDANCE WITH STATUTORY PROVISIONS AND MAILED TO THE RESPECTIVE SHAREHOLDERS SEPARATELY. SHOULD THERE BE ANY INCONSISTENCY BETWEEN THE TRANSLATION AND THE OFFICIAL TEXT IN TERMS OF THE CONTENTS OF THE NOTICE, THE LATTER SHALL PREVAIL. THE COMPANY ACCEPTS NO LIABILITY FOR ANY MISUNDERSTANDING CAUSED BY THE TRANSLATION FOR ANY REASON WHATSOEVER.

Securities Code: 6869  
June 2, 2023

## Notice of the 56th Ordinary General Meeting of Shareholders

Dear Shareholders:

We would hereby like to inform you that the 56th Ordinary General Meeting of Shareholders (this “Meeting”) will be held as follows.

When convening this Shareholders’ Meeting, the Company takes 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 posts this information on the internet via the websites listed below. Please access one of them to review the information.

Company website:

<https://www.sysmex.co.jp/ir> (in Japanese)

(From the above website, select “Investor Relations,” and then “Stocks and Bonds,” followed by “Shareholder’s Meeting.”)

Tokyo Stock Exchange website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Sysmex” in “Issue name (company name)” or the Company’s securities code “6869” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend, you can exercise your voting rights electronically via the internet, etc. or in writing (by mail). Please refer to the reference materials, indicate your approval or disapproval of the items to be resolved in this Meeting on the enclosed ballot form and return it to us by 5:45 p.m. on Thursday, June 22, 2023. As an alternative, you may exercise your voting rights on our designated voting website (<https://evote.tr.mufg.jp/>) (in Japanese).

Yours faithfully,

Hisashi Ietsugu  
Chairperson and Group CEO  
SYSMEX CORPORATION  
1-5-1, Wakinohama-Kaigandori,  
Chuo-ku, Kobe, Hyogo Prefecture  
651-0073, Japan

- 1. Date and Time:** Friday, June 23, 2023, at 10 a.m.
- 2. Venue:** Banquet Hall Ohwada, 1st Floor, South Building, Kobe Portopia Hotel, 6-10-1, Minatojima Nakamachi, Chuo-ku, Kobe, Hyogo Prefecture, Japan
- 3. Agenda:**
- Items to be reported:***
1. Business Report, Consolidated Financial Statements for the 56th fiscal year (from April 1, 2022 to March 31, 2023), as well as Auditing Reports on Consolidated Financial Statements by the Accounting Auditors and by the Audit and Supervisory Committee
  2. Non-consolidated Financial Statements for the 56th fiscal year (from April 1, 2022 to March 31, 2023)
- Items to be resolved:***
- Bill No. 1:** Appropriation of Surplus
- Bill No. 2:** Election of Nine (9) Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members)
- Bill No. 3:** Election of One (1) Substitute Member of the Managing Board Who Is an Audit and Supervisory Committee Member

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- \* **If you are attending this Meeting, please submit the enclosed ballot form to the reception desk at the meeting venue.**
  - \* **If revisions to the items subject to measures for providing information in electronic format 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.**
  - \* **In line with revisions of the Companies Act, as a general rule, it is necessary for all shareholders to confirm the items subject to measures for providing information in electronic format via the websites above. They will be sent in paper format only to shareholders who have made a written request by the record date. However, for this Shareholders' Meeting, the company will send paper documents detailing the items subject to measures for providing information in electronic format to all shareholders, regardless of whether a written request has been made.**  
**Further, the paper documents exclude the following matters in accordance with laws and regulations, as well as Article 15, Paragraph 2 of the Company's Articles of Incorporation.**
    - 1) System to ensure the appropriateness of operations and operation status of the system in the Business Report**
    - 2) Consolidated statement of changes in equity and Notes to the Consolidated Financial Statements**
    - 3) Statement of changes in equity and Notes to the Non-consolidated Financial Statements****Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements included with said paper documents are among the documents audited by Accounting Auditors in preparing the relevant audit reports, and by the Audit and Supervisory Committee for the creation of their own audit reports.**

# Reference Materials for the Shareholders' Meeting

## Bill No. 1 Appropriation of Surplus

Issues related to the year-end dividend:

Under the Company's basic policy to pay continuous and stable dividends to our shareholders in consideration of our consolidated performance, we will target a consolidated dividend payout ratio of 30%.

Furthermore, the Company celebrated its 55th anniversary this year. In order to respond to shareholders' continued support, the Company will add a 55th anniversary commemorative dividend of 2 yen to the ordinary dividend of 40 yen for the year-end dividend in the fiscal year ended March 31, 2023 for a total dividend of 42 yen per share.

Together with the interim dividend of 40 yen per share, the annual dividend will be 82 yen per share, which is 6 yen higher than for the previous fiscal year.

- 1 Type of dividend  
Cash
- 2 The appropriation of dividends and its total amount  
42 yen per share of the Company's common stock  
(Ordinary dividend: 40 yen; 55th anniversary commemorative dividend: 2 yen)  
Total dividend amount           8,788,353,000 yen
- 3 Effective date for dividend  
June 26, 2023

**Bill No. 2** Election of Nine (9) Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members)

The terms of office of all nine (9) Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members; the same shall apply hereinafter in this Bill) will expire at the conclusion of this Meeting.

Accordingly, the Company requests the election of nine (9) Members of the Managing Board.

The candidates for Members of the Managing Board are as follows:

Candidate number	Name		Positions, duties and important concurrent positions	Attendance to the Meetings of the Managing Board
1	Reelection	Hisashi Ietsugu	Chairperson and Group CEO	18/18
2	Reelection	Kaoru Asano	President	18/18
3	Reelection	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer Senior Managing Director (Duties) Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	18/18
4	Reelection	Iwane Matsui	Member of the Managing Board and Senior Executive Officer Senior Managing Director (Duties) Global Marketing and MR Business	18/18
5	Reelection	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer Managing Director, CTO (Duties) R&D	18/18
6	New election	Takashi Ono	Senior Executive Officer, Managing Director (Duties) ES (Eco Social) Strategy and Business Strategy Development	—
7	Reelection Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside) (Important concurrent position) President of Vision Care Inc. President of VCCT Inc.	16/18
8	Reelection Member of the Managing Board (Outside) Independent	Kazuo Ota	Member of the Managing Board (Outside)	18/18
9	Reelection Member of the Managing Board (Outside) Independent	Hidekazu Fukumoto	Member of the Managing Board (Outside)	18/18

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
1	<p><u>Reelection</u> Hisashi Ietsugu (September 17, 1949)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>September 1986    Joined the Company, Member of the Managing Board of the Company</p> <p>March 1990        Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>February 1996    Member of the Managing Board and Senior Executive Officer, Managing Director of the Company (Representative Director)</p> <p>April 1996        Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company (Representative Director)</p> <p>June 1996        President and CEO of the Company</p> <p>April 2013        Chairperson and CEO of the Company</p> <p>April 2018        Chairperson and CEO of the Company</p> <p>April 2023        Chairperson and Group CEO (current)</p> <p>(Reasons for Nomination) Hisashi Ietsugu held the positions of Chairperson and CEO of the Company from April 2013 and Chairperson and Group CEO from April 2023, and has managed the entire Sysmex Group (the “Group”) and provided strong leadership for many years. He is appointed as a candidate for a Member of the Managing Board of the Company because he will be essential for increasing the corporate value of the Group with his sense of balance, enabling appropriate supervision and decision-making of the entire management based on his insight and abundant experience and achievements as a corporate manager.</p>	614,800
2	<p><u>Reelection</u> Kaoru Asano (October 19, 1958)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>August 1987      Joined the Company</p> <p>April 2005        Executive Vice President of Central Research Laboratories of the Company</p> <p>April 2009        Executive Officer, Manager of Central Research Laboratories of the Company</p> <p>April 2011        Executive Officer, Executive Vice President of R&amp;D Strategic Planning of the Company</p> <p>April 2013        Senior Executive Officer of the Company</p> <p>June 2014        Member of the Managing Board and Senior Executive Officer of the Company</p> <p>April 2015        Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>April 2017        Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company</p> <p>April 2018        Member of the Managing Board and Senior Executive Officer, Senior Managing Director, COO of LS Business Unit and CTO of the Company</p> <p>April 2021        Member of the Managing Board and Senior Executive Officer, Senior Managing Director, CTO of the Company</p> <p>April 2023        President of the Company (current)</p> <p>(Reasons for Nomination) Kaoru Asano served as Member of the Managing Board from June 2014, managed research and technology development and technological strategy of the Group for many years, and demonstrated strong leadership. He is appointed as a candidate for a Member of the Managing Board of the Company because he assumed office as President from April 2023 and his abundant experience and wide-ranging insight, such as that gained through overseeing management overall will be essential for increasing the corporate value of the Group.</p>	53,600

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
3	<p><u>Reelection</u> Kenji Tachibana (December 12, 1957)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>March 1980      Joined the Company</p> <p>April 1998      President of Sysmex Singapore Pte Ltd (presently Sysmex Asia Pacific Pte Ltd.)</p> <p>April 2004      Senior Vice President of Business Planning of the Company</p> <p>April 2007      Executive Vice President of International Business Management of the Company</p> <p>April 2011      Executive Officer, Executive Vice President of IVD Business Development of the Company</p> <p>April 2013      Senior Executive Officer of the Company</p> <p>June 2014      Member of the Managing Board and Senior Executive Officer of the Company</p> <p>April 2015      Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>April 2017      Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company</p> <p>April 2018      Member of the Managing Board and Senior Executive Officer, Senior Managing Director, COO of IVD Business Unit of the Company</p> <p>April 2021      Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company (current)</p> <p>(Duties) Corporate Management, Regulatory Affairs &amp; Quality Assurance and DX Strategy Development</p> <p>(Reasons for Nomination) Kenji Tachibana has been involved in business strategy development and international businesses of the Group and has contributed to the strategic and global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2014 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	38,800

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
4	<p><u>Reelection</u> Iwane Matsui (January 1, 1961)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>April 1985      Joined the Company</p> <p>July 2001      President of Sysmex Europe GmbH (presently Sysmex Europe SE)</p> <p>April 2007      Executive Vice President of Customer Support of the Company</p> <p>April 2009      Executive Vice President of IVD Business Strategy of the Company</p> <p>April 2011      Executive Officer, Executive Vice President of Corporate Business Planning of the Company</p> <p>April 2013      Executive Officer, Executive Vice President of International Business Management of the Company</p> <p>April 2017      Senior Executive Officer of the Company</p> <p>April 2019      Senior Executive Officer, Managing Director of the Company</p> <p>June 2019      Member of the Managing Board and Senior Executive Officer, Managing Director of the Company</p> <p>April 2023      Member of the Managing Board and Senior Executive Officer, Senior Managing Director of the Company (current)</p> <p>(Duties) Global Marketing and MR Business</p>	3,000
		<p>(Reasons for Nomination)</p> <p>Iwane Matsui has been involved in promoting businesses such as domestic and international sales and marketing serving as a sales manager for domestic sales and as a representative of several overseas regional headquarters of the Group for many years, and has contributed to global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2019 and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	



Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
5	<p><u>Reelection</u> Tomokazu Yoshida (December 16, 1964)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>June 2000      Joined the Company</p> <p>April 2015      Executive Vice President of Central Research Laboratories of the Company</p> <p>April 2017      Executive Officer, Executive Vice President of Central Research Laboratories and MR Business Development of the Company</p> <p>April 2020      Senior Executive Officer, Executive Vice President of Central Research Laboratories and MR Business Development of the Company</p> <p>April 2021      Senior Executive Officer, Managing Director, and Executive Vice President of MR Business of the Company</p> <p>June 2021      Member of the Managing Board, Senior Executive Officer, Managing Director, and Executive Vice President of MR Business of the Company</p> <p>April 2023      Member of the Managing Board and Senior Executive Officer, Managing Director, CTO of the Company (current)</p> <p>(Duties) R&amp;D</p> <p>(Reasons for Nomination) Tomokazu Yoshida has been involved in research and technology development of the Group for many years, and has contributed to business development. He is appointed as a candidate for a Member of the Managing Board of the Company because he has served as such Member since June 2021, and his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	1,800
6	<p><u>New election</u> Takashi Ono (January 19, 1965)</p>	<p>April 1987      Joined the Company</p> <p>April 2009      President of Sysmex America, Inc.</p> <p>April 2013      Executive Vice President of Hematology Product Engineering of the Company</p> <p>April 2016      Executive Vice President of SCM of the Company</p> <p>April 2019      Executive Officer and Executive Vice President of SCM of the Company</p> <p>April 2021      Senior Executive Officer of the Company</p> <p>April 2023      Senior Executive Officer, Managing Director of the Company (current)</p> <p>(Duties) ES Strategy and Business Strategy Development</p> <p>(Reasons for Nomination) Takashi Ono has been involved in business development, such as product planning, market development, production and supply chain management (SCM) of the Group and has contributed to the global business development. He is appointed as a candidate for a Member of the Managing Board of the Company because his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.</p>	10,393

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
7	<p>Reelection Member of the Managing Board (Outside)</p> <p>Masayo Takahashi (June 23, 1961)</p> <p>Attendance to the Meetings of the Managing Board 16/18</p>	<p>April 1992 Ph.D. of Medicine and Assistant professor of Ophthalmology, Kyoto University Hospital</p> <p>January 1995 Post-doc, in Laboratory of Genetics, the Salk Institute, San Diego, the United States</p> <p>January 1997 Assistant professor of Ophthalmology, Kyoto University Hospital</p> <p>October 2001 Associate professor, Team Leader of retinal regeneration project, Translational Research Center, Kyoto University Hospital</p> <p>April 2006 Team Leader, Laboratory for Retinal Regeneration Research, RIKEN Center for Developmental Biology, Japan</p> <p>April 2012 Project Leader, Laboratory for Retinal Regeneration Research, RIKEN Center for Developmental Biology, Japan (presently RIKEN Center for Biosystems Dynamics Research, Japan)</p> <p>June 2016 Joined the Company, Member of the Managing Board of the Company (current)</p> <p>December 2017 Director of Research Center, Kobe City Eye Hospital</p> <p>August 2019 President of Vision Care Inc. (current)</p> <p>August 2019 Senior Visiting Scientist, Laboratory for Retinal Regeneration Research, RIKEN Center for Biosystems Dynamics Research, Japan</p> <p>August 2020 President, VCGT Inc. (current)</p> <p>March 2021 President, VCCT Inc. (current)</p> <p>April 2022 RARA fellow, Ritsumeikan Advanced Research Academy (RARA), and visiting professor, Research Organization of Science and Technology, Ritsumeikan University (current)</p> <p>April 2022 Visiting Scientist, Cell and Gene Therapy in Ophthalmology Laboratory, RIKEN Baton Zone Program (BZP), RIKEN Cluster for Science, Technology and Innovation Hub, (RCSTI) Japan (current)</p> <p>April 2022 Senior Adviser, Research Center, Kobe City Eye Hospital (current)</p> <p>(Important concurrent position) President of Vision Care Inc. President, VCCT Inc.</p> <p>(Reasons for Nomination and Expected Role) Masayo Takahashi is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that she would utilize her abundant knowledge and deep insight relating to advanced medical research, medical ethics and other fields in and outside Japan as a clinician and researcher for management of the Company, by expressing her opinions at the Meetings of the Managing Board from her perspective as a female manager. She is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management. Her term of office as a Member of the Managing Board (Outside) will be seven years at the conclusion of this Meeting.</p>	N/A

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held	
8	<p>Reelection Member of the Managing Board (Outside) Independent Kazuo Ota (January 13, 1955)</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	April 1978	Joined Kawasaki Heavy Industries, Ltd.	N/A
		April 2012	General Manager of Planning & Control Division, Aerospace Company of Kawasaki Heavy Industries, Ltd.	
		April 2013	Executive Officer, General Manager of Planning & Control Division, Aerospace Company of Kawasaki Heavy Industries, Ltd.	
		April 2015	Managing Executive Officer, General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.	
		June 2015	Senior Vice President, General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.	
		December 2016	Senior Vice President, President of Motorcycle & Engine Company of Kawasaki Heavy Industries, Ltd.	
		April 2018	Director, Managing Executive Officer, President of Motorcycle & Engine Company of Kawasaki Heavy Industries, Ltd.	
		June 2019	Retired from Director of Kawasaki Heavy Industries, Ltd.	
June 2019	Joined the Company, Member of the Managing Board of the Company (current)			
		<p>(Reasons for Nomination and Expected Role)</p> <p>Kazuo Ota is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would utilize his abundant experience in management and deep insight as a corporate manager for global business development for management of the Company by expressing his opinions at the Meetings of the Managing Board. He is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management.</p> <p>His term of office as a Member of the Managing Board (Outside) will be four years at the conclusion of this Meeting.</p> <p>Although he worked for Kawasaki Heavy Industries, Ltd., which has a business relationship with the Company, the amount of transactions with Kawasaki Heavy Industries, Ltd. accounts for less than 2% of each company's consolidated net sales. He, therefore, satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange, Inc. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>		

Candidate number	Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
9	Hidekazu Fukumoto (November 6, 1955)	<p>April 1978      Joined The Sanwa Bank, Ltd. (presently MUFG Bank, Ltd.)</p> <p>May 2005      Executive Officer of UFJ Bank Ltd. (presently MUFG Bank, Ltd.)</p> <p>January 2006   Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (presently MUFG Bank, Ltd.)</p> <p>April 2008      Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2010      Managing Director and Chief Executive of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2012      Senior Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2014      Deputy President Chief Executive of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2016      Deputy President (Director) of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2017      Member of the Board of Directors, Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>April 2018      Member of the Board of Directors, Deputy President of MUFG Bank, Ltd.</p> <p>June 2019      Advisor of MUFG Bank, Ltd. (current)</p> <p>June 2019      President of SANSHIN Co., Ltd. (current)</p> <p>June 2021      Joined the Company, Member of the Managing Board of the Company (current)</p>	N/A
	<p>Reelection Member of the Managing Board (Outside) Independent</p> <p>Attendance to the Meetings of the Managing Board 18/18</p>	<p>(Reasons for Nomination and Expected Role)</p> <p>Hidekazu Fukumoto is appointed as a candidate for a Member of the Managing Board (Outside) in the expectation that he would utilize his knowledge on finance, financial accounting, risk management, etc., as a corporate manager of a financial institution, as well as his abundant experience and deep insight in the business world for management of the Company by expressing his opinions at the Meetings of the Managing Board. He is also expected to play a role in ensuring the validity and appropriateness of the Company's decision making through supervision of its management. His term of office as a Member of the Managing Board (Outside) will be two years at the conclusion of this Meeting.</p> <p>Although he worked for many years at MUFG Bank, Ltd., with which the Company has regular transactions, the bank is neither a financial institution on which the Company relies to the extent that it is not substitutable nor a business partner that has influence over the Company's decision making. Furthermore, the Company has no transactions with SANSHIN Co., Ltd. He, therefore, satisfies the Independence Standards for Outside Members of the Managing Board established by the Company and the requirements for an Independent Member of the Managing Board as stipulated by the Tokyo Stock Exchange, Inc. The Company has reported him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc., and plans to continue to report him as an Independent Member of the Managing Board, if his election is approved.</p>	

- Notes:
1. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, thereby covering damages and litigation expenses, etc. incurred by the insureds, including Members of the Managing Board of the Company. If each candidate is elected as Member of the Managing Board, the Company plans to include him or her as an insured in the insurance policy. The policy is scheduled to be renewed on July 1, 2023, during the term of office of the candidates.
  2. Masayo Takahashi is President of Vision Care Inc., and the Company has a business relationship with Vision Care Inc. on the basis of research and development contracts. Furthermore, she is President of VCCT Inc. and the Company has received a portion of bonds with share acquisition rights issued by VCCT Inc.
  3. There is no special interest between each of the other candidates and the Company.

4. Masayo Takahashi, Kazuo Ota and Hidekazu Fukumoto are to be elected as Members of the Managing Board (Outside).
5. In accordance with the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Masayo Takahashi, Kazuo Ota, and Hidekazu Fukumoto to limit their liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act. If each of them is elected, the Company intends to continue the agreements with each of them.
6. MUFG Bank, Ltd., where Hidekazu Fukumoto was in office as Member of the Board of Directors, agreed with the U.S. Office of the Controller of the Currency (OCC) to make improvements regarding deficiencies identified by OCC in the bank's internal management systems, etc., for prevention of money laundering in accordance with the U.S. Bank Secrecy Act.

**Bill No. 3 Election of One (1) Substitute Member of the Managing Board Who Is an Audit and Supervisory Committee Member**

In preparation for an insufficient number of Members of the Managing Board Who Are Audit and Supervisory Committee Members as stipulated in laws and regulations, the Company requests the election of one (1) substitute Member of the Managing Board Who Is an Audit and Supervisory Committee Member.

Please note that the approval of the Audit and Supervisory Committee has been obtained for this Bill.

The candidate for a substitute Member of the Managing Board Who Is an Audit and Supervisory Committee Member is as follows:

Name (date of birth)	Brief personal history, positions, duties and important concurrent positions	Number of Company shares held
<div style="border: 1px solid black; padding: 2px; display: inline-block;">Member of the</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Managing Board</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">(Outside)</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> Koichi Onishi (July 16, 1947)	July 1971 Joined Kobe Steel, Ltd.	
	June 2002 Executive Officer of Kobe Steel, Ltd.	
	April 2004 Senior Executive Officer, Managing Director of Kobe Steel, Ltd.	
	April 2007 Senior Executive Officer, Senior Managing Director of Kobe Steel, Ltd.	
	June 2010 President of Nippon Koshuha Steel Co., Ltd.	1,000
	June 2014 Outside Corporate Auditor of the Company	
	June 2016 Member of the Managing Board Who Is an Audit and Supervisory Committee Member of the Company	
June 2020 Retired from Member of the Managing Board [Audit and Supervisory Committee Member] of the Company		
(Reasons for Nomination and Expected Role) Koichi Onishi is appointed as a candidate for a substitute Member of the Managing Board (Outside) Who Is an Audit and Supervisory Committee Member, in the expectation that he would express his opinions at the Meetings of the Managing Board using his abundant experience and wide-ranging knowledge of corporate management, etc., in the position of Audit and Supervisory Committee Member, and play a role in ensuring the soundness and transparency of management, and its audit and supervision functions through appropriate audit and supervision of the execution of business.		

- Notes:
1. There is no special interest between the candidate and the Company.
  2. Koichi Onishi is to be elected as a substitute Member of the Managing Board (Outside) Who Is an Audit and Supervisory Committee Member.
  3. If Koichi Onishi assumes the position of a Member of the Managing Board (Outside) Who Is an Audit and Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act, in accordance with the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act.
  4. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, thereby covering damages and litigation expenses, etc. incurred by the insureds, including Members of the Managing Board of the Company. If Koichi Onishi assumes the position of a Member of the Managing Board (Outside) Who Is an Audit and Supervisory Committee Member, the Company plans to include him as an insured in the insurance policy.
  5. If Koichi Onishi assumes the position of a Member of the Managing Board (Outside) Who Is an Audit and Supervisory Committee Member, the Company plans to report him as an Independent Member of the Managing Board to the Tokyo Stock Exchange, Inc.

Reference

Skills matrix of the Managing Board after the close of this Ordinary General Meeting of Shareholders

	Name	Position, duties, etc. (tentative)	Skills and experience				
			Corporate management	Management and business planning	Global	Sales and service	Research and development
Member of the Managing Board (Internal)	Hisashi Ietsugu	Chairperson and Group CEO	●	●		●	
	Kaoru Asano	President	●	●			●
	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	●	●	●	●	
	Iwane Matsui	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Global Marketing and MR Business	●	●	●	●	
	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer, Managing Director CTO and R&D	●	●			●
	Takashi Ono	Member of the Managing Board and Senior Executive Officer, Managing Director ES Strategy and Business Strategy Development	●	●	●	●	
	Tomoo Aramaki	Member of the Managing Board (Full-time Audit and Supervisory Committee Member)			●		

	Name	Position, duties, etc. (tentative)	Skills, experience and duties (tentative)			
			Production/ SCM	IT/DX	Finance/ accounting	Human resources/ general affairs
Member of the Managing Board (Internal)	Hisashi Ietsugu	Chairperson and Group CEO			●	●
	Kaoru Asano	President		●		
	Kenji Tachibana	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Corporate Management, Regulatory Affairs & Quality Assurance and DX Strategy Development	●	●		
	Iwane Matsui	Member of the Managing Board and Senior Executive Officer, Senior Managing Director Global Marketing and MR Business		●		
	Tomokazu Yoshida	Member of the Managing Board and Senior Executive Officer, Managing Director CTO and R&D				
	Takashi Ono	Member of the Managing Board and Senior Executive Officer, Managing Director ES Strategy and Business Strategy Development	●			
	Tomoo Aramaki	Member of the Managing Board (Full-time Audit and Supervisory Committee Member)			●	

- Notes:
1. The Representative Director will be appointed at a Meeting of the Managing Board to be held after the conclusion of this Ordinary General Meeting of Shareholders.
  2. The above represents the main skills and experience of each Member of the Managing Board and does not represent all skills and experience.



	Name	Position, duties, etc. (tentative)	Skills and experience				
			Corporate management	Management and business planning	Global	Sales and service	Research and development
Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside)	●		●		●
	Kazuo Ota	Independent Member of the Managing Board (Outside)	●	●	●		
	Hidekazu Fukumoto	Independent Member of the Managing Board (Outside)	●	●		●	
	Kazumasa Hashimoto	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●	●		●	
	Michihide Iwasa	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●				

	Name	Position, duties, etc. (tentative)	Skills, experience and duties (tentative)			
			Production/SCM	IT/DX	Finance/accounting	Human resources/general affairs
Member of the Managing Board (Outside)	Masayo Takahashi	Member of the Managing Board (Outside)				●
	Kazuo Ota	Independent Member of the Managing Board (Outside)		●	●	●
	Hidekazu Fukumoto	Independent Member of the Managing Board (Outside)			●	●
	Kazumasa Hashimoto	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)			●	●
	Michihide Iwasa	Independent Member of the Managing Board (Outside) (Audit and Supervisory Committee Member)	●			

- Notes:
1. The Representative Director will be appointed at a Meeting of the Managing Board to be held after the conclusion of this Ordinary General Meeting of Shareholders.
  2. The above represents the main skills and experience of each Member of the Managing Board and does not represent all skills and experience.

## Definition of skills and experience

Item	Definition
Corporate management	Management experience as a representative, executive director, executive officer, etc. at a company, organization, etc.
Management and business planning	Experience and knowledge of management planning, business strategy, planning, promotion, etc. as a practicing, managing, or executive officer in charge, etc.
Global	Experience of overseas assignment
Sales and service	Experience and knowledge of domestic and overseas sales, marketing, technical services, etc. as a practicing, managing, or executive officer in charge, etc.
Research and development	Experience and knowledge of technology strategy, technology and product development, IT development, intellectual property, etc. as a practicing, managing, or executive officer in charge, etc.
Production/SCM	Experience and knowledge of production, procurement, logistics, quality, etc. as a practicing, managing, or executive officer in charge, etc.
IT/DX	Experience and knowledge of IT/DX, etc. as a practicing, managing, or executive officer in charge, etc.
Finance/accounting	Experience and knowledge of accounting, finance, business administration, etc. as a practicing, managing, or executive officer in charge, etc.
Human resources/general affairs	Experience and knowledge of human resources, labor affairs, human resources development, diversity, legal affairs, compliance, etc. as a practicing, managing, or executive officer in charge, etc.

Note: Judgment is made based on whether or not the Member of the Managing Board has a total of about three years of experience in each of the items stated on the left.

## Reference

Nomination of candidates for Members of the Managing Board, etc.

### ■ Nomination of candidates for Members of the Managing Board

The Managing Board nominates candidates for Internal Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members) based on a balance of knowledge, experience, and ability to make accurate and prompt decisions, manage risks appropriately, monitor business execution, and cover each functional and business unit of the Company, as well as those with sufficient social credibility.

The candidates for Members of the Managing Board (Outside) (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members) must have abundant work experience and broad insight, and be able to provide appropriate advice to the Company's management.

In the event that it is difficult to satisfy the above requirements for appointment, the Managing Board shall make a decision on the dismissal of the Members of the Managing Board (excluding Members of the Managing Board Who Are Audit and Supervisory Committee Members).

In addition, the Managing Board shall comprehensively consider candidates for Audit and Supervisory Committee Members, taking into consideration their knowledge of finance and accounting, their knowledge of the Company's business fields, and their diverse perspectives on corporate management.

In the event that it is difficult to satisfy the above requirements for appointment, the Managing Board, with the consent of the Audit and Supervisory Committee, shall make a decision on the dismissal of the Audit and Supervisory Committee Member.

### ■ Procedures

The Nominating Committee, which is an advisory body to the Managing Board, shall consider the details of the decision to nominate or dismiss a Member of the Managing Board candidate in accordance with the above policy, and the Managing Board shall pass a resolution thereon. The Managing Board shall obtain the consent of the Audit and Supervisory Committee with respect to proposals for the election or dismissal of Audit and Supervisory Committee Members.

### ■ Explanation of individual selection, dismissal, and nomination

The brief personal histories and reasons for the nomination of each candidate for Members of the Managing Board and the reasons for the dismissal of Directors shall be included in the notice of the General Meeting of Shareholders.

## Reference

### Independence Standards for Outside Members of the Managing Board

The Company has established the following Independence Standards for Outside Members of the Managing Board, and considers a Member of the Managing Board (Outside) to be independent of the Company and not likely to have a conflict of interest with general shareholders if such Member does not fall under any of the following items.

(Internal related)

(i) An executing person (\*1) of the Company and its subsidiaries (below, the “Group”) or a person who was previously an executing person of the Group.

(Major business partner)

(ii) A person whose major business partner (\*2) is the Group or its executing person

(iii) A major business partner (\*3) of the Group or its executing person

(Professional service provider)

(iv) Consultant, accounting expert, or legal expert who receives a large amount of money or other assets (\*4) from the Group other than remuneration for officers.

(If the person receiving such property is a corporation, partnership or other organization, a member of such organization)

(v) A person who belongs to an auditing firm that performs legal audits of the Group

(Donations or grants)

(vi) A person who has received a donation or grant exceeding a certain amount (\*5) from the Group (if the donee or grant recipient is a corporation, partnership, or other organization, an executing person of such organization)

(Lender)

(vii) An executing person of a major financial institution (\*6) from which the Group borrows, or its parent company or subsidiary

(Major shareholder)

(viii) A major shareholder of the Group (\*7) or, if such major shareholder is a corporation, an executing person of such corporation

(ix) An executing person of a company in which the Group is a major shareholder

(Mutual dispatch of officers)

(x) An executing person of a company that has a relationship of mutual dispatch of outside officers with the Group (a case in which an executing person employed by the Group is an outside officer of another company and the executing person employed by that other company is an outside officer of the Group)

(xi) A person who has fallen under (ii) through (x) above in the past three years

(xii) Close relative, etc. (\*9) of a person falling under (i) through (xi) above (limited to a person in an important position (\*8))

\*1 An executing person means an executive as defined in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act, and includes not only executive Members of the Managing Board but also employees.

\*2 A person whose major business partner is the Group means a business partner that provides products or services to the Group and whose transaction amount in the most recent fiscal year exceeds 2% of the annual consolidated net sales of the relevant business partner.

\*3 A major business partner of the Group means business partner to whom the Group provides products or services and the transaction amount in the most recent fiscal year exceeds 2% of the annual consolidated net sales of the Group.

\*4 A large amount of money or other assets means money or other asset income exceeding 10 million yen per year in the most recent fiscal year, other than remuneration for officers (if the person obtaining such asset is an organization such as a corporation, partnership, etc., it means money or other asset income in excess of 2% of the consolidated net sales of the organization for the most recent fiscal year).

\*5 A donation or grant exceeding a certain amount means a donation or grant in excess of the higher of an average of 10 million yen per year for the past three fiscal years or 2% of the gross income of the person in question for the most recent fiscal year.

\*6 A major financial institution means a financial institution or other major creditor that is essential to the Group’s financing at present or in the past three years, and on which the Group relies to the extent that it is not substitutable.

- \*7 A major shareholder is a shareholder who holds 10% or more of the voting rights (including both direct and indirect holdings).
- \*8 A person in an important position means a Member of the Managing Board (excluding a Member of the Managing Board (Outside)), executive officer, employee in senior managerial positions above the rank of general manager, certified public accountant among those belonging to an audit firm or accounting firm, lawyer among those belonging to a law firm, trustee, director, auditor or other officer among those belonging to a foundation, incorporated association, academic corporation, or other corporation, or any other person objectively and reasonably judged to be of equal importance.
- \*9 A close relative, etc. means a spouse or relative within the second degree of kinship.

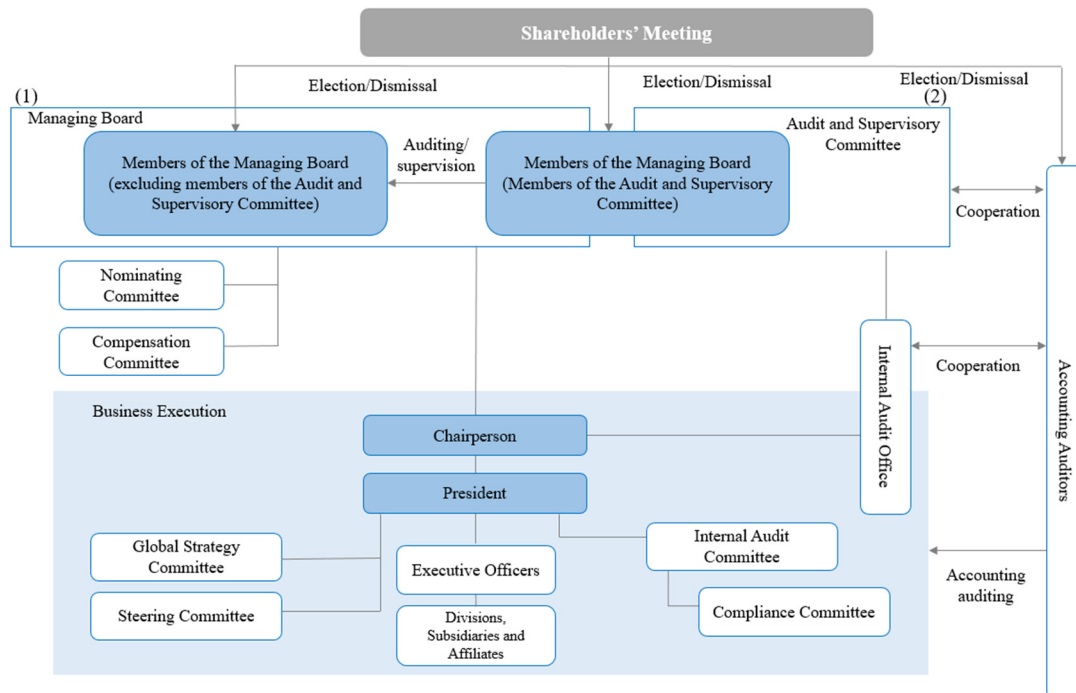
Reference

Corporate Governance

■ Basic Policy on Corporate Governance

Systemex positions the strengthening of corporate governance as one of its most important management issues. Based on the Systemex Way and Shared Values, the Group’s corporate philosophy, Systemex aims to maximize the corporate value of the entire Group by enhancing management soundness and transparency, and by improving management speed and efficiency.

■ Organization chart



■ Corporate governance initiatives

(1) Managing Board

The Managing Board, consisting of 12 Members of the Managing Board (including one female Member of the Managing Board), is responsible for making important management decisions and supervising the execution of duties, and basically holds a regular meeting once a month and extraordinary meetings as necessary.

In the fiscal year ended March 31, 2023, the Meetings of the Managing Board were held 18 times.

The Nominating Committee serves as an advisory body to the Managing Board regarding the nomination of Members of the Managing Board, and the Compensation Committee serves as an advisory body to the Managing Board regarding decisions on executive compensation and other matters. Each committee is chaired by an Independent Member of the Managing Board (Outside) and the majority of each committee consists of Independent Members of the Managing Board (Outside), and each committee holds meetings as necessary.

Name of meeting	Function and details	Committee Chairperson	Composition
Nominating Committee	Advisory body to the Managing Board regarding nomination of officers	Independent Member of the Managing Board (Outside)	Chairperson, President, Members of the Managing Board (1), Independent Members of the Managing Board (Outside) (4)
Compensation Committee	Advisory body to the Managing Board regarding officer compensation	Independent Member of the Managing Board (Outside)	Chairperson, President, Members of the Managing Board (1), Independent Members of the Managing Board (Outside) (4)

(2) Audit and Supervisory Committee

The Audit and Supervisory Committee, consisting of three Audit and Supervisory Committee Members (including two Members of the Managing Board (Outside)), holds a meeting at least once every three months, mainly as a statutory independent body for decision-making to audit the execution of duties by Members of the Managing Board.

In addition to the Meetings of the Audit and Supervisory Committee and the Meetings of the Managing Board, the Audit and Supervisory Committee Members attend Global Strategy Committees and Executive Officers Meeting, etc. to appropriately monitor the execution of duties by Members of the Managing Board. In the fiscal year ended March 31, 2023, the Meetings of the Audit and Supervisory Committee were held 18 times.

In addition, the Audit and Supervisory Committee utilizes the Company's internal control system and other systems to conduct audits in close cooperation with the internal audit department and the department responsible for internal control, and can give instructions to the internal audit department as necessary. The Audit and Supervisory Committee closely cooperates with the Accounting Auditors by mutually exchanging information and opinions on internal control over financial reporting, etc., in addition to confirming the accounting audit plan and the results of the accounting audit.

The Audit and Supervisory Committee will continue to audit and supervise Members of the Managing Board appropriately in accordance with laws and regulations to enhance the soundness of management.

Other meetings

The Global Strategy Committees, consisting of the Chairperson, President and executive officers who are also Members of the Managing Board, is held basically once a month to discuss and deliberate on the medium- to long-term management direction of the Group and important strategies and issues.

The Steering Committees, consisting of the Chairperson, President and executive officers, is held basically once a month to discuss, deliberate, and report on important matters related to the promotion of the Group's annual plan.

The Internal Control Committees, consisting of the President, executive officers in charge, and Full-time Audit and Supervisory Committee Members, is held basically four times a year to discuss and report on important matters related to overall internal control of the Group, including risk management.

The Compliance Committees, consisting of executive officers and related division heads, is held basically twice a year to deliberate and report on important matters related to the Group's compliance.