



Securities Code: 1963  
Date of issue: June 7, 2023  
Start of electronic provision: May 26, 2023

JGC HOLDINGS CORPORATION  
2-3-1 Minato Mirai, Nishi-ku  
Yokohama, Kanagawa  
220-6001, Japan  
Masayuki Sato  
Representative Director and Chairman

To the Shareholders of JGC HOLDINGS CORPORATION (the “Company”)

**NOTICE OF THE 127th ORDINARY  
GENERAL SHAREHOLDERS’ MEETING**

We hereby notify you of the convocation of the 127th Ordinary General Shareholders’ Meeting with the following outline.

When convening this general meeting of shareholders, the Company has taken an electronic provision measure for information that constitutes the contents of reference documents, etc. for the general shareholders’ meeting (matters subject to the electronic provision measure). Said information is posted on the Company’s website under “The 127th Ordinary General Shareholders’ Meeting” on the Internet. Please confirm by accessing the Company’s website below.

Corporate website: <https://www.jgc.com/en/ir/stocks/shareholders-meeting.html>

In addition to the Company’s website, the matters subject to the electronic provision measure are posted on the website of the Tokyo Stock Exchange (TSE). Please access the TSE website (Listed Company Search) below, enter JGC HOLDINGS CORPORATION in the “Issue name (company name)” field or 1963 in the “Code” field, and click “Search.” Next, select “Basic information” and then “Documents for public inspection/PR information” to confirm the information.

TSE website (Listed Company Search): <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

In the event that you are unable to attend, you may exercise your voting rights via the Internet or in writing. In this case, please review the reference documents and exercise your voting rights by 6:00 p.m., Wednesday, June 28, 2023.



## Details

1. **Date and time:** Thursday, June 29, 2023, at 10:00 a.m.  
(Opening time: 9:00 a.m.)

2. **Location:** Meeting Room of  
JGC HOLDINGS CORPORATION  
Queen's Tower A, 6th floor  
2-3-1, Minato Mirai, Nishi-ku  
Yokohama, Kanagawa, Japan

3. **Agenda:**

### Items to Report:

1. Business Report, Consolidated Financial Statements and the Independent Auditors' and the Audit & Supervisory Boards' Reports on Consolidated Financial Statements for the 127th fiscal period from April 1, 2022 to March 31, 2023.
2. Non-Consolidated Financial Statements for the 127th fiscal period from April 1, 2022 to March 31, 2023.

### Items for Resolution:

1. Approval of Appropriation of Retained Earnings
2. Appointment of 7 Directors
3. Appointment of 1 Audit & Supervisory Board Member
4. Determination of Compensation Related to the Performance-Linked Stock Compensation System for Directors (Excluding Outside Directors)

### Decisions concerning convocation:

1. Among the matters subject to the electronic provision measure, the following matters are not included in the written documents to be delivered to shareholders who request the delivery of written documents in accordance with the laws and regulations and the provisions of Article 16 of the Company's Articles of Association. Therefore, written documents to be delivered to shareholders who request the delivery of written documents are part of the documents subject to audit by Audit & Supervisory Board Members and the Independent Auditor when preparing audit reports.
  - (1) Following matters of the consolidated financial statements  
Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
  - (2) Following matters of the non-consolidated financial statements  
Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements
2. If a shareholder exercised the voting rights in duplicate via the Internet and by submitting the Certificate for the Exercise of Voting Rights, the voting rights exercised via the Internet will be deemed valid. Furthermore, if a shareholder exercised the voting rights multiple times via the Internet, the last exercise of the voting rights will be deemed valid.
3. If neither approval nor disapproval of items for resolution is indicated in the returned Certificate for the Exercise of Voting Rights, it shall be deemed a vote for approval of company proposals and deemed a vote for disapproval of shareholder proposals.



- 
- Attendees are kindly requested to submit their Certificate for the Exercise of Voting Rights to the reception desk staff on the day of the meeting.
  - If any amendment is made to the matters subject to the electronic provision measure, the statement to that effect and the matters before and after the amendment will be posted on the Company's website and the TSE website above.

Items for Resolution and Reference Material

## 1. Approval of Appropriation of Retained Earnings

The Company has established the dividend policy by taking into consideration profit sharing with shareholders while comprehensively considering the maintenance of its capital base and the investment for growth, aiming for a dividend payout ratio of 30% of profit attributable to owners of parent, with an annual dividend of 15.00 yen per share as the minimum amount. Based on the basic policy on the appropriation of profits described in the [Reference] below, the Company proposes a year-end dividend for the current fiscal year as follows:.

### 1. Items relating to fiscal year-end dividends

#### (1) Type of dividend

Cash

#### (2) Dividend amount to be allocated

Per share of common stock:	¥38.00
Total:	¥9,142,394,046

#### (3) Effective date of dividends from retained earnings

June 30, 2023

### [Reference] Basic policy on the appropriation of profits

The Company is placing management priority on sharing profits with shareholders, while committing to enhancing its medium- to long-term corporate value placing management priority on sharing profits with shareholders.

With regard to a specific dividend policy, the Company has a policy of appropriating profits by setting a target dividend payout ratio, comprehensively considering the maintenance of its capital base and the investment for growth to ensure the appropriate returns are paid to shareholders while paying an annual dividend to its shareholders once at the end of the fiscal year. The size of the dividend is decided upon at the annual general shareholders' meeting.

In the medium-term management plan "BSP2025", the following describes the shareholder return policy which will guide the payment of dividends during this the 5-year plan beginning in fiscal year 2021.

- To pay a year-end dividend from the retained earnings once a year, and through linking with the Company's business performance in each terms, to aim for a consolidated payout ratio of 30% per year while maintaining a minimum annual dividend per share of 15 yen.
- The acquisition of own shares will be made in line with our business performance forecasts and the consideration of a free cash flow.

In addition, the Company's core business of providing EPC lump-sum project services in the field of general engineering, from the viewpoint of maintaining the trust of our clients and the capacity to smoothly carry out large-scale projects, it is important that we have a strong financial base that is not affected by trends in the financial markets, also to retain the capacity to raise funds flexibly when the need arises to make growth strategy investments, we aim to stably maintain an equity ratio of 50% or more. Further, the return on equity (ROE) of 10% is targeted, recognizing capital efficiency as a priority for the sustainable enhancement of corporate value of the Company.

## 2. Appointment of 7 Directors

At the conclusion of the 127th Ordinary General Shareholders' Meeting, the tenure of office of all 7 directors will expire. Accordingly, it is proposed that the following 7 nominees be appointed as directors.

The candidates for appointment as director are as follows:

	Name	Present position and responsibilities at the Company (Current principal position)		Term of office as a Director (As of the conclusion of this Ordinary General Shareholders' Meeting)
1	Masayuki Sato	Representative Director and Chairman Chief Executive Officer A member of nominating committee A member of compensation committee	Reappointment	13 years
2	Tadashi Ishizuka	Representative Director and President Chief Operating Officer A member of nominating committee A member of compensation committee	Reappointment	6 years
3	Kiyotaka Terajima	Director, Senior Executive Vice President, Chief Financial Officer (Representative Director, President, JGC Corporate Solutions Co., Ltd.)	Reappointment	7 years
4	Shoji Yamada	Director (Representative Director, Senior Executive President, JGC JAPAN CORPORATION)	Reappointment	2 year
5	Shigeru Endo	Outside Director Chairman of nominating committee A member of compensation committee	Reappointment	10 years
			Outside	
			Independent	
6	Masayuki Matsushima	Outside Director A member of nominating committee Chairman of compensation committee (Senior Advisor, Integral Corporation)	Reappointment	7 years
			Outside	
			Independent	
7	Noriko Yao	Outside Director A member of nominating committee A member of compensation committee (Partner, TMI Associates)	Reappointment	2 year
			Outside	
			Independent	

Notes: 1. The percentages of attendance at Board of Directors' Meetings by Outside Directors Shigeru Endo, Masayuki Matsushima and Noriko Yao during the 127th fiscal period were 100% (16/16 times), 93.7% (15/16 times) and 100%(16/16 times) respectively.

2. The term, (Current principal position) is used when a candidate occupies a primary position different from that described as (Present position and responsibilities at the Company).

3. The family register name of the candidate Noriko Yao is Noriko Seto.

	Name (Date of Birth)	Career Summary, Status, Responsibility or Significant Positions Concurrently Held	Company Shares Held
1	<p>Masayuki Sato (May 18, 1955) <u>Reappointment</u></p> <p>Term of office as a Director: 13 years (As of the conclusion of this Ordinary General Shareholders' Meeting)</p>	<p>Apr. 1979 Joined the Company</p> <p>Jul. 2009 Executive Officer, General Manager, Finance &amp; Accounting Division</p> <p>Jul. 2010 Director, Chief Financial Officer and Senior General Manager, Finance &amp; Accounting Division</p> <p>Jul. 2011 Managing Director, Chief Financial Officer and Senior General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Jun. 2012 Executive Vice President, Director, Chief Financial Officer and Senior General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Apr. 2013 Executive Vice President, Director, Chief Financial Officer, Senior General Manager, Corporate Administrative &amp; Financial Affairs Division and Senior General Manager, Security Management Office</p> <p>Jun. 2014 Representative Director and Chairman</p> <p>Jun. 2017 Representative Director and Chairman, Chief Executive Officer (current post)</p>	47,427 Shares
<p><b>[Reason for Nomination as Director]</b> Mr. Masayuki Sato possesses abundant experience and knowledge built up through his service as the Company's Chief Financial Officer and as the Senior General Manager of the Corporate Affairs Division, as well as in other positions, and has served as Representative Director and Chairman since 2014 making positive contributions to the management of the Company and the JGC Group. Based on this record of service, it is judged that he has the capacity to use his accumulated experience and knowledge to perform the duties of director and exercise decisive leadership in successfully promoting the Company's business and is nominated for election as a director.</p>			
2	<p>Tadashi Ishizuka (October 3, 1951) <u>Reappointment</u></p> <p>Term of office as a Director: 6 year (As of the conclusion of this Ordinary General Shareholders' Meeting)</p>	<p>Apr. 1972 Joined the Company</p> <p>Jul. 2004 Executive Officer, General Manager, Energy Project Division</p> <p>Jun. 2005 Senior Executive Officer, General Manager, Energy Project Division</p> <p>Aug. 2007 Senior Executive Officer, Senior General Manager, Project Operation Services Division</p> <p>Jun. 2008 Managing Director, Senior General Manager, Project Operation Services Division</p> <p>Jun. 2010 Senior Managing Director</p> <p>Jun. 2011 Executive Vice President, Director</p> <p>Jul. 2014 Director, Senior Executive Vice President, Senior General Manager, Security Management Office</p> <p>Jun. 2015 Retired from Director</p> <p>Feb. 2017 Senior Executive Vice President, Chief Project Officer</p> <p>Jun. 2017 Representative Director and President, Chief Operating Officer (current post)</p> <p>Oct. 2019 Director, JGC JAPAN CORPORATION (current post)</p>	49,601 Shares
<p><b>[Reason for Nomination as Director]</b> Mr. Tadashi Ishizuka has served as the person in charge of large-scale overseas projects and as the Senior General Manager of the Project Operation Services Division where he gained abundant experience and knowledge in the area of project management. In addition, he served as Representative Director and President since 2017 making positive contributions to the management of the Company and the JGC Group. Based on this record of service, it is judged that he has the capacity to use his accumulated experience and knowledge to perform the duties of director and exercise decisive leadership in successfully promoting the Company's business and is nominated for election as a director.</p>			

	Name (Date of Birth)	Career Summary, Status, Responsibility or Significant Positions Concurrently Held	Company Shares Held
3	<p>Kiyotaka Terajima (March 3, 1959)</p> <p><u>Reappointment</u></p> <p>Term of office as a Director: 7 years (As of the conclusion of this Ordinary General Shareholders' Meeting)</p>	<p>Apr. 1981 Joined the Company</p> <p>Aug. 2007 General Manager, Compliance Administration Office, Legal &amp; Compliance Office</p> <p>Jul. 2011 General Manager, Corporate Administration Department, Corporate Administrative &amp; Financial Affairs Division</p> <p>Jul. 2014 Executive Officer, General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Sep. 2016 Director, Executive Officer, Senior General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Jun. 2017 Director, Senior Executive officer, Senior General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Apr. 2018 Director, Executive Vice President, Chief Financial Officer, and Senior General Manager, Corporate Administrative &amp; Financial Affairs Division</p> <p>Apr. 2019 Director, Executive Vice President, Chief Financi al Officer, Senior General Manager, Corporate Administrative &amp; Financial Affairs Division and Senior General Manager, Legal &amp; Compliance Office</p> <p>Oct. 2019 Director, Executive Vice President, Chief Financial Officer and General Manager, Group Management Development Department</p> <p>Apr. 2020 Director, Senior Executive Vice President, Chief Financial Officer(current post)</p> <p>Apr. 2023 Representative Director, President, JGC Corporate Solutions Co., Ltd. (current post)</p> <p><b>[Significant Positions Concurrently Held]</b> Representative Director, President, JGC Corporate Solutions Co., Ltd.</p>	28,714 shares
<p><b>[Reason for Nomination as Director]</b> Mr. Kiyotaka Terajima possesses abundant experience and knowledge built up through his service as the Senior General Manager of the Corporate Affairs Division, as well as in other positions. In addition, he served as Chief Financial Officer since 2018, further contributing to the progress of the Company and of the JGC Group. Based on this record of service, it is judged that he has the capacity to use his accumulated experience and knowledge to perform the duties of director and exercise decisive leadership in successfully promoting the Company's business and is nominated for election as a director.</p>			

	Name (Date of Birth)	Career Summary, Status, Responsibility or Significant Positions Concurrently Held	Company Shares Held
4	<p>Shoji Yamada (January 23, 1960) <b>Reappointment</b> Term of office as a Director: 2 year (As of the conclusion of this Ordinary General Shareholders' Meeting)</p>	<p>Apr. 1983 Joined the Company Apr. 2018 Executive Officer, Senior General Manager, JGC Japan Planning Office and General Manager, Domestic Infrastructure Project Division, Infrastructure Division Jul. 2018 Executive Officer, Senior General Manager, JGC Japan Planning Office and General Manager, Domestic Infrastructure Project Division, Infrastructure Division and General Manager, Sales Division. Apr. 2019 Executive Officer Senior General Manager, JGC Japan Planning Office and General Manager, Domestic Infrastructure Project Division. Oct. 2019 Representative Director, Senior Executive President, JGC JAPAN CORPORATION (current post) Jun. 2021 Director (current post) <b>[Significant Positions Concurrently Held]</b> Representative Director, Senior Executive President, JGC JAPAN CORPORATION</p>	21,442 shares
<p><b>[Reason for Nomination as Director]</b> Mr. Shoji Yamada, having served in the capacity of General Manager in Infrastructure Division and Sales Division, has abundant experience and knowledge in the fields of plant marketing. In addition, along with his position as Representative Director, Senior Executive President of JGC JAPAN CORPORATION as of October 2019 further contributing to the progress of the Company and of the JGC Group. Based on this record of service, it is judged that he has the capacity to use his accumulated experience and knowledge to perform the duties of director and exercise decisive leadership in successfully promoting the Company's business and is nominated for election as a director.</p>			
5	<p>Candidate for an Outside Director</p> <p>Shigeru Endo (October 16, 1948) <b>Reappointment</b> <b>Outside</b> <b>Independent</b></p> <p>Term of office as a Director: 10 years (As of the conclusion of this Ordinary General Shareholders' Meeting)</p> <p>Percentage of attendance at Board of Directors' Meetings during the 127th fiscal period: 100% (16/16 times)</p>	<p>Apr. 1974 Joined the Ministry of Foreign Affairs Feb. 1989 Seconded to International Energy Agency Apr. 2001 Director-General, Middle Eastern and African Affairs Bureau Feb. 2002 Director-General, Consular and Migration Affairs Department Aug. 2003 Ambassador to The Permanent Mission of Japan to the United Nations and Other International Organizations in Geneva and Consul General, Consulate General of Japan in Geneva Mar. 2007 Ambassador extraordinary and plenipotentiary to the Republic of Tunisia Jul. 2009 Ambassador extraordinary and plenipotentiary to Saudi Arabia Oct. 2012 Retired from the Ministry of Foreign Affairs Jun. 2013 Outside Director, the Company (current post) Jun. 2013 Outside Director, IINO KAIUN KAISHA, LTD. Apr. 2014 Special Assistant to the Minister for Foreign Affairs Dec. 2017 Special envoys for Expo 2025 Osaka, Kansai, Japan Jun. 2018 Outside Director, ADEKA Corporation (current post)  <b>[Significant Positions Concurrently Held]</b> Outside Director, ADEKA Corporation</p>	0 share
<p><b>[Reason for Nomination as Outside Director and Outline of Expected Role]</b> Mr. Shigeru Endo does not have direct experience in company management, but he has served as the Ambassador Extraordinary and Plenipotentiary to Saudi Arabia and Tunisia and possesses unique experience and knowledge of the JGC Group's principal business market. He is nominated as an Outside Director because the Company believes that he will be able to appropriately perform his expected duties as an Outside Director and contribute to further increasing our corporate value, which includes providing accurate advice and opinions for the management and business of the Company and exerting a supervisory function from an independent standpoint, by making the most of the aforementioned experience and knowledge. He satisfies the requirements of an Independent Executive pursuant to the provision of the Tokyo Stock Exchange, the Company will continue to designate him as an Independent Executive and notify the said Stock Exchange to that effect.</p>			





	Name (Date of Birth)	Career Summary, Status, Responsibility or Significant Positions Concurrently Held	Company Shares Held
6	<p>Candidate for an Outside Director</p> <p>Masayuki Matsushima (June 15, 1945)</p> <p>Reappointment Outside Independent</p> <p>Term of office as a Director: 7 years (As of the conclusion of this Ordinary General Shareholders' Meeting)</p> <p>Percentage of attendance at Board of Directors' Meetings during the 126th fiscal period: 93.7% (15/16times)</p>	<p>Apr. 1968 Joined Bank of Japan</p> <p>Jun. 1998 Executive Director, in charge of the Bank's International Affairs</p> <p>Jun. 2002 Senior Advisor, the Boston Consulting Group</p> <p>Feb. 2005 Senior Executive Advisor, Credit Suisse Securities (Japan) Limited</p> <p>Jun. 2008 Chairman, Credit Suisse Securities (Japan) Limited</p> <p>May 2011 Senior Advisor, the Boston Consulting Group</p> <p>Jun. 2011 Outside Director, Mitsui Fudosan Co., Ltd.</p> <p>Jun. 2011 Outside Director, Mitsui O.S.K. Lines, Ltd.</p> <p>Sep. 2014 Senior Advisor, Integral Corporation (current post)</p> <p>Jun. 2016 Outside Director, the Company (current post)</p> <p>Jul. 2017 External Councillor, Grant Thornton Taiyo LLC (current post)</p> <p><b>[Significant Positions Concurrently Held]</b> Senior Advisor, Integral Corporation External Councillor, Grant Thornton Taiyo LLC</p>	0 share
<p><b>[Reason for Nomination as Outside Director and Outline of Expected Role]</b> Mr. Masayuki Matsushima has wide experience and knowledge in the fields of finance and corporate management, having served as Executive Director of Bank of Japan, and in other significant positions. He is nominated as an Outside Director because the Company believes that he will be able to appropriately perform his expected duties as an Outside Director and contribute to further increasing our corporate value, which includes providing accurate advice and opinions for the management and business of the Company and exerting a supervisory function from an independent standpoint, by making the most of the aforementioned experience and knowledge. He satisfies the requirements of an Independent Executive pursuant to the provision of the Tokyo Stock Exchange, the Company will continue to designate him as an Independent Executive and notify the said Stock Exchange to that effect.</p>			

	Name (Date of Birth)	Career Summary, Status, Responsibility or Significant Positions Concurrently Held	Company Shares Held
7	<p>Candidate for an Outside Director</p> <p>Noriko Yao (August 27, 1967)</p> <p><u>Reappointment</u></p> <p><u>Outside</u></p> <p><u>Independent</u></p> <p>Term of office as a Director: 2 year (As of the conclusion of this Ordinary General Shareholders' Meeting)</p> <p>Percentage of attendance at Board of Directors' Meetings during the 127th fiscal period: 100% (16/16times)</p>	<p>Mar. 1995 Graduated from the Legal Training and Research Institute</p> <p>Apr. 1995 Registered as an attorney (Fukuoka Bar Association)</p> <p>Sep. 2001 Joined Paul, Hastings, Janofsky &amp; Walker LLP</p> <p>Oct. 2002 Registered as an attorney (Daini Tokyo Bar Association)</p> <p>Oct. 2002 Admitted as an attorney (New York State Bar Association)</p> <p>Jul. 2007 Joined TMI Associates</p> <p>Jan. 2008 Partner, TMI Associates (current post)</p> <p>Oct. 2014 Outside Audit &amp; Supervisory Board Member, Japan Overseas Infrastructure Investment Corporation for Transport &amp; Urban Development</p> <p>Nov. 2015 Outside Director, MEIKO NETWORK JAPAN CO., LTD.;</p> <p>Jun. 2016 Outside Audit &amp; Supervisory Board Member, SATO HOLDINGS CORPORATION (current post)</p> <p>Jun. 2019 Outside Director, Asahi Net, Inc. (current post)</p> <p>Jun. 2021 Outside Director, the Company (current post)</p> <p><b>[Significant Positions Concurrently Held]</b> Partner, TMI Associates Outside Audit &amp; Supervisory Board Member, SATO HOLDINGS CORPORATION Outside Director, Asahi Net, Inc.</p>	0 share
<p><b>[Reason for Nomination as Outside Director and Outline of Expected Role]</b> Ms. Noriko Yao does not have direct experience in company management, but she possesses professional knowledge and deep insights as an attorney at law with extensive international experience. She is nominated as an Outside Director because the Company believes that she will be able to appropriately perform her expected duties as an Outside Director and contribute to further increasing our corporate value, which includes providing accurate advice and opinions for the management and business of the Company and exerting a supervisory function from an independent standpoint, by making the most of the aforementioned experience and knowledge. She satisfies the requirements of an Independent Executive pursuant to the provision of the Tokyo Stock Exchange, the Company will continue to designate her as an Independent Executive and notify the said Stock Exchange to that effect.</p>			

- Notes: 1. There is no particular interest between any of the candidates and the Company.
2. The term of office for Tadashi Ishizuka shows the most recent consecutive time period served as Director.
3. The Company entered into agreements with Shigeru Endo, Masayuki Matsushima and Noriko Yao to limit the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act pursuant to the Articles of Association of the Company so that the Outside Directors can perform their expected duties sufficiently. The maximum amount of liability for damages under the relevant agreement is the minimum amount of liability set forth in the laws and regulations. If the nominations of these candidates are approved, the Company will continue these agreements with them.
4. Summary of the Contract Regarding Liability Insurance for Directors and Officers  
The Company has concluded a Directors and Officers liability insurance agreement with an insurance company in accordance with Article 430-3, paragraph (1) of the Companies Act, and the agreement covers legally required compensation for damages and lawsuit costs borne by the insured person. The respective candidates are included as insured persons in the agreement as the Company's Directors, and if reappointed under this proposal, they will continue to be insured persons in the agreement. The agreement is scheduled to be renewed with the same terms and conditions at the next renewal.

### 3. Appointment of 1 Audit & Supervisory Board Members

Masao Mori, Audit & Supervisory Board Member will resign from the office at the conclusion of the 127th Ordinary General Shareholders' Meeting. Accordingly, it is proposed that a replacement of Audit & Supervisory Board Member be appointed.

In accordance with the Articles of Incorporation, the tenure of the nominee of the Audit & Supervisory Board Member will be until the tenure of the resigned Audit & Supervisory Board Member expires.

The Audit & Supervisory Board has agreed on this item.

The candidate for appointment as audit & supervisory board member is as follows:

	Name (Date of Birth)	Career Summary, Status or Significant Positions Concurrently Held	Company Shares Held
	<p style="text-align: center;">Kazuya Oki (April 3rd, 1961)</p> <p style="text-align: center;">New Appointment</p> <p style="text-align: center;">Outside</p> <p style="text-align: center;">Independent</p>	<p>Oct. 1984 Arthur Young Japan (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Mar. 1988 Registered as a Certified Public Accountant</p> <p>May. 1998 Partner of Showa Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Aug. 2006 Board Member, Shin Nihon&amp;Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Sep. 2010 Executive Board Member, Ernst &amp; Young ShinNihon LLC (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Jul. 2014 Senior Executive Board Member, Ernst &amp; Young ShinNihon LLC (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Jul. 2021 Representative, Oki Kazuya Certified Public Accountant Office</p> <p>Mar. 2022 Outside Director, OSM International, Inc. (current post)</p> <p><b>[Significant Positions Concurrently Held]</b> Representative, Oki Kazuya Certified Public Accountant Office (current post) Outside Director, OSM International, Inc. (current post)</p>	0 share
<p><b>[Reason for Nomination as Outside Audit &amp; Supervisory Board Member]</b> Mr. Kazuya Oki has extensive experience and knowledge as a certified public accountant, including serving as the Senior Executive Board Member of Ernst &amp; Young ShinNihon LLC (currently Ernst &amp; Young ShinNihon LLC). Based on the above experience and knowledge, He is nominated as a candidate for Outside Auditor because the Company believes that he will be able to appropriately perform his duties as a corporate auditor to audit management and business execution from an independent and objective perspective. He satisfies the requirements of an Independent Executive pursuant to the provision of the Tokyo Stock Exchange, the Company plans to designate him as an Independent Executive and notify the said Stock Exchange to that effect.</p>			

Notes: 1. There is no particular interest between Kazuya Oki and the Company.

2. The Company entered into agreements with Koichi Ohno and Norio Takamatsu to limit the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act pursuant to the Articles of Association of the Company so that the Outside Auditors can perform their expected duties sufficiently. The maximum amount of liability for damages under the relevant agreement is the minimum amount of liability set forth in the laws and regulations. If the nomination of Kazuya Oki is approved, the Company will continue these agreements with him.

3. Summary of the Contract Regarding Liability Insurance for Directors and Officers

The Company has concluded a Directors and Officers liability insurance agreement with an insurance company in accordance with Article 430-3, paragraph (1) of the Companies Act, and the agreement covers legally required compensation for damages and lawsuit costs borne by the insured person. In addition, when this proposal has been approved and passed, and Mr. Kazuya Oki has been appointed as an Audit & Supervisory Board Member,



this provision will apply in his case also. The agreement is scheduled to be renewed with the same terms and conditions at the next renewal.

### Skill Matrix of Directors and Auditors (Scheduled) after the End of this Annual Shareholders' Meeting

If the candidates listed in this Notice of Convocation are elected as proposed, up to three items are marked with a circle as areas in which the Company expects each Director and each Auditor to demonstrate particular expertise and experience.

The following list does not represent all the skills, expertise and experience possessed by each Director and each Auditor.

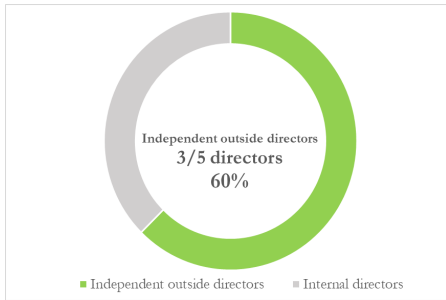
		Field					
		Corporate management	Technology / Project management / IT	Global	HR / Talent development / Employee relations	Finance / Accounting / Structured finance	Legal / Risk management
Directors	Masayuki Sato	●		●		●	
	Tadashi Ishizuka	●	●	●			
	Kiyotaka Terajima	●				●	●
	Shoji Yamada	●	●	●			
	Shigeru Endo			●	●		●
	Masayuki Matsushima	●		●		●	
	Noriko Yao			●	●		●
Auditors	Yasumasa Isetani		●	●		●	
	Kazuyoshi Muto		●	●		●	
	Koichi Ohno				●	●	●
	Norio Takamatsu	●	●			●	
	Kazuya Oki			●		●	●

(Note) ESG is positioned as expected roles of all Directors and Auditors and is not included in the above list.

### Skill selection rationale

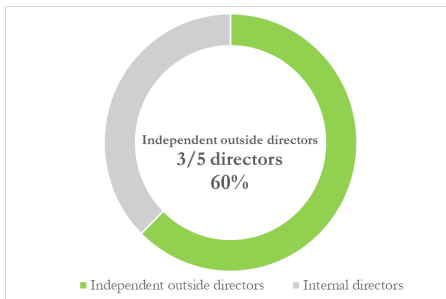
skills	rationales
Corporate management	To achieve goals of the medium-term business plan (BSP 2025) and 2040 Vision in line with the Group purpose of "Enhancing planetary health," the Group requires directors experienced in establishing clear strategies for sustained growth and higher corporate value even in a turbulent business environment.
Technology / Project management / IT	The Group requires directors with a high level of knowledge and expertise in our main businesses in order to pursue, manage, and oversee growth strategies for sustained growth and greater corporate value. Directors must also be highly knowledgeable and experienced in the five business areas of energy transition, high-performance functional materials, circular economy, healthcare and life science and industrial and urban infrastructure that will be essential in social issues we must begin to address to fulfill our purpose of "Enhancing planetary health."
Global	Implementing growth strategies and managing and supervising progress toward sustainable Group growth and higher corporate value calls for directors with experience in overseas business management and extensive knowledge of and familiarity with everyday life, culture, business environments, and so on outside of Japan.
HR / Talent development / Employee relations	JGC Group employees are required to possess advanced technical capabilities and expertise, an appreciation of different cultures and diversity in order to work with others of many nationalities, and a mental attitude that helps us make the most of our organizational strengths. To this end, personnel management must be established that ensures peak employee performance, and the Group requires directors with solid expertise and experience in human resources management or development, including promotion of diversity.
Finance / Accounting / Structured finance	Beyond ensuring accurate financial reporting, the directors required by the Group must have reliable expertise and experience in finance, accounting and structured finance, as needed to build a strong financial foundation and to formulate financial strategies both for growth investments (including M&As) aimed at sustainable gains in corporate value and for higher shareholder return.
Legal / Risk management	A suitable governance system is fundamental to sustainable growth in corporate value. Moreover, to continue enhancing Board oversight effectiveness, the Group requires directors with solid expertise and experience in corporate governance, risk management, and compliance.

Ratio of Independent Outside Directors in the Nominating Committee after the conclusion of the Ordinary General Shareholders' Meeting (Scheduled)



Chairman: Shigeru Endo (Independent outside director)

Ratio of Independent Outside Directors in the Compensation Committee after the conclusion of the Ordinary General Shareholders' Meeting (Scheduled)



Chairman: Masayuki Matsushima (Independent outside director)

#### Independence Criteria for Outside Director and Outside Audit & Supervisory Board Member

The Company judges Outside Directors and Outside Audit & Supervisory Board Members to be independent by confirming that they do not fall under any of the following standards, based on the independence standards prescribed by Tokyo Stock Exchange, Inc and company law.

1. A person who works or worked at the Company
2. A major shareholder of the Company (i.e., a shareholder holding 10% or more of voting rights), or any executives (a person who executes operations) of such shareholder
3. A party whose major business partner is the Company or its consolidated subsidiary, or any executive (a person who executes operations) of such party (\*1)
4. A major business partner of the Company or its consolidated subsidiary, or any executive (a person who executes operations) of such major business partner (\*2)
5. A main lender/bank to the Company, a financial institution or any large creditor on which the Company is dependent to the extent that it is not substitutable, or any executive of said lender/bank, financial institution or large creditor
6. An attorney, certified public accountant, certified tax accountant, consultant or other professional who received money or other property from the Company for his/her services as an individual, in an amount exceeding ¥10 million annually on average over the past three fiscal years, other than remuneration of Directors or Audit & Supervisory Board (if such money or property was received by an organization, such as a corporation or partnership, this item refers to a person who belongs to the organization that received money or other property from the Company in an amount exceeding ¥10 million annually on average over the past three fiscal years or in an amount of 2% of the annual total revenue or consolidated net sales of the organization, whichever the greater.)
7. A person who receives donations or grants from the Company or its consolidated subsidiary in an amount exceeding ¥10 million annually or 30% of said organization's average annual total expenses in the past three fiscal years (if such donations or grants are received by an organization, such as a corporation or partnership, this item refers to an executive (a person who executes operations) of the organization)
8. Any executive (a person who executes operations) of the lead underwriter(s) of the Company
9. A person who serves as the Company's Accounting Auditor or a person who is engaged in auditing the Company's activities as an employee of the Accounting Auditor
10. A spouse or relative within the second degree of kinship of a person falling under any of the above items 1. to 9. (limited to the person holding the position of officer or other important positions)
11. A spouse or relative within the second degree of kinship of any executive (a person who executes operations) of the Company or its consolidated subsidiary (limited to the person holding the position of officer or other important positions)
12. A person having special circumstances where there are concerns about his/her independence, such as having conflict of interest with the Company, in performing the duties of Outside Director or Outside Audit & Supervisory Board Member

(\*1) An entity who has received contracts/orders from the Company or its consolidated subsidiary, and whose transaction amount with the Company or its consolidated subsidiary has exceeded 2% of such entity's annual consolidated net sales, in any of its fiscal year over the past five years.

(\*2) An entity being a customer of the Company who pay the Company 2% or more of the Company's annual consolidated net sales, in any of its fiscal year over the past five years.

#### **4. Determination of Compensation Related to the Performance-Linked Stock Compensation System for Directors (Excluding Outside Directors)**

The amount of remuneration for the Company's directors was approved to not exceed 690 million yen per year at the 113th Ordinary General Shareholders' Meeting held on June 26, 2009. In addition, it was approved to pay compensation related to the restricted stock compensation system to the Company's directors (excluding outside directors) of an amount not exceeding 25 million yen per year, which is within the amount of the above-mentioned remuneration, at the 123rd Ordinary General Shareholders' Meeting held on June 27, 2019.

As part of the review of the executive compensation system, the Company proposes to introduce a performance-linked stock compensation system (hereinafter "System") for directors (excluding outside directors; hereinafter "Applicable Directors") that does not exceed the above-mentioned amount of 690 million yen to further share the benefits and risks of stock price fluctuations with shareholders, to clarify the linkage between the compensation of Applicable Directors and the Company's performance and share value, and to further increase incentives for achieving the performance targets set in the Company's medium-term management plan, increasing the Company's stock price, and improving the Group's medium- to long-term corporate value.

The compensation provided to deliver the Company's common stock to Applicable Directors under the System shall be monetary claims, the total value of which shall not exceed 160 million yen per year. Furthermore, the specific timing and details of payment to each Applicable Director shall be determined separately at a meeting of the Board of Directors.

The number of directors is currently seven (three of which are outside directors). If Agenda Item 2. Appointment of 7 Directors is approved as originally proposed, the number of directors will be seven (three of which are outside directors).

Furthermore, Applicable Directors will pay all of the monetary claims paid under the System by a resolution of the Company's Board of Directors as assets contributed in kind, and the Company will issue or dispose of shares of its common stock to Applicable Directors. Accordingly, the total number of the Company's common stock to be issued or disposed of shall not exceed 236,000 shares per year; provided, however, in the event there is a stock split of the Company's common stock (including a gratis allotment of the Company's common stock), reverse stock split, or other reason to adjust the total number of the Company's common stock issued or disposed of under the System, said total amount will be adjusted within a reasonable scope; the same shall apply hereinafter.

The amount to be paid per share will be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (if no trade is executed on that date, the closing price on the immediately preceding trading day; the same shall apply hereinafter), to the extent that such amount is not particularly favorable to Applicable Directors who will subscribe for such common stock.

The maximum amount of compensation in this agenda item, the total number of the Company's common stock issued or disposed of, and the conditions for granting the Company's common stock to Applicable Directors under this agenda item have been determined taking into consideration the above-mentioned purpose, the Company's business conditions, the policy on determining remuneration, etc. for each individual director of the Company, and other factors, and the Company deems them to be appropriate.





**Overview of System**

This is a system to issue or dispose of the Company’s common stock at the end of the performance evaluation period to Applicable Directors based on their performance during the performance evaluation period. The performance evaluation period shall be one fiscal year from April 1 each year to March 31 the following year, and single or multiple performance indicators such as operating income shall be predetermined by the Company’s Board of Directors.

The Company plans to set the initial performance evaluation period and performance evaluation indicators in accordance with the table below, but the System can be continued after the initial performance evaluation period ends within the scope of what is approved in this agenda item.

**Reference: Initial Performance Evaluation Period and Performance Evaluation Indicators**

Performance Evaluation Period	One year, from April 1, 2023, to March 31, 2024
Performance Evaluation Indicators	Operating income and net income attributable to owners of parent

**1) Method to calculate the number of shares to be delivered and amount of monetary claims**

The Company shall calculate the number of the Company’s common shares to be delivered to Applicable Directors based on calculation method (1) below, and calculate the amount of monetary claims to be paid to each Applicable Director based on calculation method (2).

- (1) Number of shares of the Company’s common stock to be issued or disposed of to each Applicable Director\*<sup>1</sup>  
 $\text{Base rank-specific stock compensation}^{*2} \times \text{payment percentage}^{*3} / \text{stock price at time of delivery}^{*4}$
- (2) Amount of monetary claims to be paid to each Applicable Director  
 $\text{Number of shares of the Company’s common stock calculated in (1) above} \times \text{stock price at the time of delivery}$

- \*1. If the calculation results in a fraction that is less than one share, it will be rounded down.
- \*2. The base rank-specific stock compensation for Applicable Directors shall be determined by the Company’s Board of Directors.
- \*3. This shall be determined by the Company’s Board of Directors within a range of 0%-200%, based on the degree of achievement of each performance evaluation indicator during the performance evaluation period.
- \*4. This shall be determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution related to the issuance or disposition of the Company’s common stock carried out after the end of the performance evaluation period, to the extent that such amount is not particularly favorable to Applicable Directors who will subscribe for such common stock.

**2) Payment conditions for Applicable Directors**

The Company, in principle, shall issue or dispose of the Company’s common stock, the number of which shall be calculated based on (1) above, to Applicable Directors after the end of the performance evaluation period if the Applicable Director meets the following requirements.

- (1) The Applicable Director continued to serve in the position of Director of the Company or other managerial position determined by the Board of Directors during the period of service





predetermined by the Company's Board of Directors based on the performance evaluation period.

- (2) The Applicable Director did not engage in certain illegal activities specified by the Company's Board of Directors.
- (3) The Applicable Director met other requirements deemed necessary by the Company's Board of Directors to achieve the purpose of the System.

If a Director's rank changes during the period of service (limited to during the performance evaluation period) or an Applicable Director resigns or retires for a valid reason after the end of the performance evaluation period until the date the Company's common stock is issued or disposed of, the Company's Board of Directors shall issue or dispose of the Company's common stock after making reasonable adjustments based on the degree of achievement of performance targets, rank-based adjustment rate, and tenure of said Director.

Furthermore, if an Applicable Director retires or resigns from the above-mentioned position due to death after the end of the performance evaluation period until the date the Company's common stock is issued or disposed of, cash will be paid instead of the Company's common stock. The amount of cash to be paid to said Applicable Director shall be the base amount of rank-specific stock compensation reasonably adjusted based on the degree of achievement of performance targets, not exceeding the total value of the above-mentioned monetary claims.

The issuance or disposition of the Company's common stock or payment of monetary claims as assets contributed in kind under the System is subject to the execution of a Restricted Share Allotment Agreement that includes the contents stated in 3) below (hereinafter, "Allotment Agreement") between the Company and Applicable Directors. However, this does not apply if an Applicable Director is not serving in the position of Director of the Company or other managerial position determined by the Board of Directors at the time the Company issues or disposes of said common stock to the Applicable Director or pays monetary claims as assets contributed in kind to the Applicable Director.

### **3) Overview of Restricted Share Allotment Agreement**

#### **(1) Restricted Period**

Applicable Directors may not transfer, establish security interests on, or otherwise dispose of (hereinafter "Restriction") the shares of the Company's common stock allotted to them based on the Allotment Agreement (hereinafter "Allotted Shares") for a period determined by the Company's Board of Directors between three years and thirty years (hereinafter "Restricted Period"), calculated from the date of payment for Allotted Shares.

#### **(2) Removal of Restriction**

In the event an Applicable Director retires or resigns from the position predetermined by the Company's Board of Directors due to the end of his/her term of office, death, or other valid reason, the Restriction on all Allotted Shares shall be removed immediately after the Applicable Director retires or resigns from said position. However, if an Applicable Director resigns, or retires for a reason other than the end of his/her term of office, death, or other valid reason before the expiry of the Restricted Period, the Company shall automatically acquire the Allotted Shares without consideration.

#### **(3) Treatment in Organizational Restructuring, etc.**

Notwithstanding (1) above, in the event a matter related to a merger agreement under which the Company becomes a non-surviving company, share exchange agreement under which the Company becomes a wholly-owned subsidiary, share transfer plan, or other organizational restructuring is approved at the Company's General Shareholders' Meeting during the



Restricted Period (or by the Company's Board of Directors if approval for said organizational restructuring at the Company's General Shareholders' Meeting is not required), the Company shall remove the Restriction on all Allotted Shares by a resolution of the Company's Board of Directors before the effective date of said organizational restructuring.

(4) Malus and Clawback Clause

If an Applicable Director engages in an illegal act or a fact that a certain event specified in the Allotment Agreement has occurred is discovered during the Restricted Period, the Company shall acquire some or all of the Allotted Shares held by said Applicable Director without consideration by a resolution of the Company's Board of Directors.

If an Applicable Director engages in an illegal act or a fact that a certain event specified in the Allotment Agreement has occurred is discovered after the Restriction is removed, the Company can request of said Applicable Director to return some or all of the Allotted Shares he/she holds or to pay an amount of cash equivalent to their market value instead of said shares.

(5) Other matters

Other matters related to the Allotment Agreement shall be determined by the Company's Board of Directors.

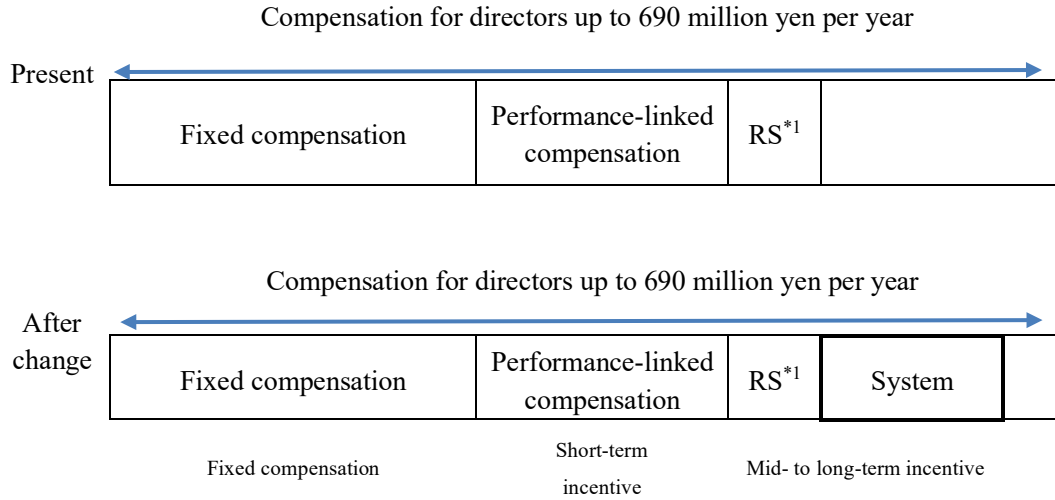
**4) Treatment in Organizational Restructuring, etc.**

In the event a matter related to a merger agreement under which the Company becomes a non-surviving company, share exchange agreement under which the Company becomes a wholly-owned subsidiary, share transfer plan, or other organizational restructuring is approved at the Company's General Shareholders' Meeting during the Restriction Period (or by the Company's Board of Directors if approval for said organizational restructuring at the Company's General Shareholders' Meeting is not required) during the performance evaluation period (limited, however, to cases in which the effective date of said organizational restructuring is scheduled to come before the date of issuance or disposition of the Company's common stock under the System), the Company shall not issue or dispose of its common stock.

However, if a matter related to organizational restructuring is approved by the Company's Board of Directors after the performance evaluation period ends (limited, however, to cases in which the effective date of said organizational restructuring is scheduled to come between the end of the performance evaluation period and the business day immediately preceding the date of issuance or disposition of the Company's common stock under the System), the Company shall pay cash instead of its common stock. The amount of cash to be paid to Applicable Directors shall be the base amount of the rank-specific stock compensation reasonably adjusted based on the degree of achievement of performance targets and other factors, not exceeding the total value of the above-mentioned monetary claims.



Reference: Changes to the compensation system for directors



\*1. RS: Restricted Stock compensation

\*2. Compensation for outside directors is fixed compensation only, both present and after the change.

**Reference: Introduction of performance-linked stock compensation system for executive officers, and directors and executive officers of the Company’s subsidiaries**

If this agenda item is approved as originally proposed, the Company plans to implement the same system as that for Applicable Directors to executive officers that do not concurrently serve as directors of the Company and directors and executive officers of subsidiaries of the Company in addition to Applicable Directors.