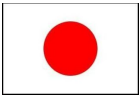


SEKISUI CHEMICAL CO LTD

MEETING DATE	Tue, 23 Jun 2020 10:00 am	TYPE	AGM	ISSUE DATE	Tue, 16 Jun 2020
MEETING LOCATION	Manyo no Ma Room 3rd Floor ANA Crowne Plaza Osaka Hotel 1-3-1 Dojimahama, Kita-ku, Osaka				
CURRENT INDICES	PIRC Japan				
SECTOR	Operative builders				

PROPOSALS		ADVICE
1	<p>Appropriation of Surplus Japanese companies seek specific authority for the appropriation of any surplus in earnings and this authority includes any distribution of a dividend. The approach to such resolutions rests on the degree to which the dividend payout ratio is in line with the level of distribution which investors could reasonably expect. A dividend of 23 yen per share is proposed, and the dividend payout ratio is approximately 35.9%. This exceeds the minimum acceptable threshold of 15% and the company did not make a loss during the year under review. Support is recommended.</p>	For
2.1	<p>Elect Kouge Teiji Executive Director. Chair. It is considered the responsibility of the most senior Board member to ensure that there is appropriate outside oversight of Board decisions. As there are three or more outside directors, it is considered that there is adequate outside presence on the Board, and support is therefore recommended.</p>	For
2.2	<p>Elect Katou Keita Executive Director. President. It is considered the responsibility of the most senior Board member to ensure that there is appropriate outside oversight of Board decisions. As there are three or more outside directors, it is considered that there is adequate outside presence on the Board, and support is therefore recommended.</p>	For
2.3	<p>Elect Hirai Yoshiyuki Executive Director.</p>	For
2.4	<p>Elect Kamiyoshi Toshiyuki Executive Director.</p>	For
2.5	<p>Elect Uewaki Futoshi Executive Director. Newly appointed Executive Director.</p>	For
2.6	<p>Elect Taketomo Hiroyuki Executive Director.</p>	For
2.7	<p>Elect Shimizu Ikusuke Executive Director.</p>	For
2.8	<p>Elect Kase Yutaka Independent Non-Executive Director.</p>	For
2.9	<p>Elect Ooeda Hiroshi Independent Non-Executive Director.</p>	For
2.10	<p>Elect Isikura Youko Independent Non-Executive Director.</p>	For
3.1	<p>Appoint Statutory Auditor Fukunaga, Toshitaka Non-executive Corporate Auditor. Not considered to be independent. However, as the corporate auditor board is 50% or more independent, support is recommended.</p>	For

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 3.1 - Appoint Statutory Auditor Fukunaga, Toshitaka

The traditional governance structure for Japanese companies (Kansayaku) involves the appointment of corporate auditors. Large Japanese companies are required to form a board of corporate auditors with powers to examine board activities and oversee financial reports. Such companies are required by law to appoint at least three statutory auditors to the corporate audit board. At least half the corporate auditors must qualify as 'outsiders'. Beyond this legal minimum, it is considered to be best practice that boards of corporate auditors should be composed wholly of outsiders. New appointments are therefore considered in the context of their effect on the balance of independence.

Note: It is considered that the corporate auditor board will be 60.0% independent following the Annual Meeting.

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