

November 22, 2021

To Whom It May Concern:

Company: SUGI Holdings Co., Ltd.
Representative: Katsunori Sugiura, Representative Director and President
(Code number: 7649, First Section of TSE / Nagoya Stock Exchange)
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Notice Regarding the Introduction of the Restricted Stock Remuneration System

SUGI Holdings Co., Ltd. (hereinafter, the “Company”) hereby announces, as described below, that it has resolved, at a meeting of its Board of Directors held today, to introduce a restricted stock remuneration system (hereinafter, the “System”) as a new remuneration system for its directors, and will submit a proposal regarding the System to the 40th Ordinary General Meeting of Shareholders scheduled for May 2022 (hereinafter, the “General Meeting of Shareholders”).

1. Purpose of introducing the System

The System is designed to provide directors, except for external directors, of the Company and directors of some of the Company’s subsidiaries (hereinafter, the “Eligible Directors”) with an incentive for sustainable improvement in the Company’s corporate value and to promote further value sharing with shareholders.

2. Conditions for introducing the System

Given that under the System, monetary claims will be paid as remuneration to the Eligible Directors for the grant of restricted stock to them, introduction of the System shall be subject to the approval of shareholders at the General Meeting of Shareholders for the payment of such remuneration. Incidentally, if the aforementioned proposal is approved as it is at the General Meeting of Shareholders, the System is expected to also be introduced to some of the Company’s subsidiaries for their directors.

Details will be separately advised as soon as they are determined.