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Securities Code: 6882

June 4, 2021

To Our Shareholders:

3-1-56 Nishiawaji, Higashiyodogawa-ku, Osaka
Sansha Electric Manufacturing Co., Ltd.
President Hajimu Yoshimura

Notice of the 87th Annual Meeting of Shareholders

We would like to thank you for your continued support.

You are hereby notified that the 87th Annual Meeting of Shareholders of the Company will be held as described below.

From the perspective of preventing the spread of infection of the new coronavirus(COVID-19), you are advised to refrain from attending the meeting this year and exercise your voting rights in advance via the Internet. or in writing

Please refer to the following “Reference Document for the Annual Meeting of Shareholders” and exercise your voting rights no later than 5:10 p.m., on June 24 (Thursday), 2021.

Sincerely yours,

Details

1. Date and Time: Friday, June 25, 2021 at 10:00 a.m. (sign-in starts at 9:00 a.m.)
2. Place: 4-2-1 Miyahara Yodogawa-ku, Osaka
Hotel Mielparque Osaka, 4th Floor, room “Soleil”
(Please see the “Access Map” at the end of the document)
3. Agenda:
Matters to be reported:
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 87th business period (April 1, 2020 to March 31, 2021)
 2. The non-consolidated financial statements for the 87th business period (April 1, 2020 to March 31, 2021)

Matters to be resolved:

Proposal : Election of Five (5) Directors

- ⊙ The following items are posted on the Company’s website (<https://www.sansha.co.jp>), in accordance with the provisions of laws and regulations of the Company’s Articles of Incorporation, and are therefore not included in the documents accompanying this Notice.
 1. “Structure and Policy of Company” in the Business Report
 2. “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements
 3. “Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial StatementsAccordingly, the documents accompanying this Notice comprise part of the documents audited by Audit& Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
- ⊙ If there are any revisions to the Reference Document for the Annual Meeting of Shareholders, the business report or the consolidated and the non-consolidated financial statements, such revisions will be listed on the Company’s website. (<https://www.sansha.co.jp/>)
- ⊙ Please note that no one other than shareholders who can exercise voting rights is allowed in the venue such as a proxy who is not a shareholder or a person accompanying a shareholder.

Reference Document for the Annual Meeting of Shareholders

Proposal: Election of Five (5) Directors

The term of office of all six (6) Directors will expire at the conclusion of the Annual Meeting of Shareholders. The Company requests the election of five (5) Directors.

The candidates for Directors are determined at board meetings after receiving the report from the Nomination and Compensation Committee based on the criteria for appointment of Directors. Also, candidates for Outside Directors satisfy the “criteria for appointment of Outside Officers and for judgment of independence.”

The candidates for Directors are as follows.

Candidate No.	Name	Position and responsibility at the Company and significant concurrent positions	Attendance at board meetings
1	Hajimu Yoshimura Reappointment	Representative Director, President	100% (14/14 meetings)
2	Masaki Fujiwara Reappointment	Director and Senior Managing Operating Officer General Manager, Corporate Strategy Outside Audit & Supervisory Board Member, KUBOTA Corporation	100% (14/14 meetings)
3	Hiroshi Zumoto New appointment	Managing Operating Officer Chief Operating Officer of semiconductor business General Manager, semiconductor business	-
4	Akira Uno Reappointment Independent Outside Director	Outside Director Outside Director, HASHIMOTO SOGYO HOLDINGS Ltd. Specially Appointed Professor at Graduate School of Economics, Kyoto University (Doctor of Economics) Senior Executive Fellow, DMG MORI Co.,LTD.	100% (14/14 meetings)
5	Koichi Ina Reappointment Independent Outside Director	Outside Director Outside Director, KUBOTA Corporation Chairman, Central Japan Industries Association	100% (14/14 meetings)

Notes: 1. There is no special conflict of interest between any of the candidates for Director and the Company.

2. The Company entered into the Directors and Officers liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act, in which all the Directors are the insured. If this proposal is approved as proposed and each candidate assumes the post of Director, each candidate will become the insured of the said contract. The said contract is to cover the insured Directors against damages that could arise from taking responsibilities regarding the performance of their duties or being asked for compensation regarding the pursuit of the said responsibilities. However, there are certain exemptions; for example, damages arising from an act that the insured conducts knowing it is in violation of laws and regulations are not covered. Premiums for riders of derivative actions are borne by each Director, and other premiums are borne by the Company.

1	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reappointment</div> Hajimu Yoshimura (January 10, 1954; 67 years of age)	Apr. 1976	Joined Matsushita Electric Works, Ltd. (currently Panasonic Corporation)	19,300 shares
		Jan. 2001	Vice President, U.S. Research Lab, Matsushita Electric Works, Ltd.	
		Apr. 2007	Operating Officer and General Manager of Lighting Device Development Division, Matsushita Electric Works, Ltd.	
		June 2007	President, SUNX Co., Ltd. (currently Panasonic Industrial Devices SUNX Co., Ltd.)	
		June 2012	President, Panasonic Ecology Systems Co., Ltd.	
			Managing Director, Panasonic Eco Solutions Co., Ltd.	
		Aug. 2014	Advisor, the Company	
		Jan. 2015	Vice President and Operating Officer in charge of overall management, the Company	
		June 2015	Director, Vice President and Operating Officer, Planning Division, the Company	
		June 2017	Representative Director, Vice President and Operating Officer, the Company	
	Apr. 2018	Representative Director, President, the Company (incumbent)		
<p>[Reason for nomination as a candidate for Director]</p> <p>Hajimu Yoshimura has abundant experience and extensive knowledge he has gained as a management executive in the Panasonic Group. In addition, he has served as Vice President of an overseas affiliate of the Group and thus has broad-based knowledge of global corporate management. Furthermore, after he assumed the presidency of the Company on April 1, 2018, he adopted a slogan, "Global Power Solution Partner," and has promoted a growth strategy and managerial reform to improve the corporate value. As we believe it appropriate to manage the Group under his leadership to ensure sustainable growth and further development of the Company, we nominate him as a candidate for Director.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 6 years</p>				

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
2	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reappointment</div> Masaki Fujiwara (December 23, 1953; 67 years of age)	Apr. 1977 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation) Jan. 2000 Director, Administration, Malaysia Matsushita Television Co., Ltd. Nov. 2004 Director, Technology and Accounting Center, Matsushita Electric Industrial Co., Ltd. Dec. 2006 Director, Accounting Center, Panasonic AVC Networks, Matsushita Electric Industrial Co., Ltd. May 2010 President, Panasonic Insurance Service Co., Ltd. Mar. 2014 Advisor, the Company June 2014 Director, Senior Managing Operating Officer and General Manager of Administration, the Company Mar. 2018 Outside Audit & Supervisory Board Member, KUBOTA Corporation (incumbent) Apr. 2018 Director, Senior Managing Operating Officer and General Manager of Corporate Strategy, the Company (incumbent) (Significant concurrent positions) Outside Audit & Supervisory Board Member, KUBOTA Corporation	13,400 shares
<p>[Reason for nomination as a candidate for Director] Masaki Fujiwara has abundant corporate management experience and extensive knowledge of administration he has gained as a management executive in the Panasonic Group. In addition, he has served as Director of an overseas affiliate of the Group and thus is equipped with global perspectives. Since assuming office as Director of the Company in June 2014, he supervises the administration and corporate strategy departments and properly fulfills his role. As we believe he is capable of fully leveraging his abundant experience in the Group's future business development, we nominate him as a candidate for a Director.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 7 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
3	<div data-bbox="479 661 643 702" style="border: 1px solid black; padding: 2px;">New appointment</div> <p>Hiroshi Zumoto (April 18, 1959; 62 years of age)</p>	<p>Apr. 1982 Joined the Company</p> <p>May 2005 General Manager, Manufacturing Engineering Department , the Company</p> <p>Sep. 2011 Manager, Okayama Plant, the Company</p> <p>Apr. 2012 Officer, the Company General Manager, Semiconductor Manufacturing, the Company Manager, Okayama Plant, the Company</p> <p>Apr. 2018 Managing Officer, the Company Manager, Okayama Plant, the Company</p> <p>Apr. 2020 Managing Officer, the Company (incumbent) Chief Operating Officer of semiconductor business, the Company (incumbent) General Manager, semiconductor business, the Company (incumbent)</p> <p>May. 2020 Chairman, SANSHA ELECTRIC MFG. (SHANGHAI) CO., LTD. (CHINA) (incumbent)</p> <p>(Significant concurrent positions) Chairman, SANSHA ELECTRIC MFG. (SHANGHAI) CO., LTD. (CHINA)</p>	6,000 shares
<p>[Reason for nomination as a candidate for Director]</p> <p>Since joining the Company, Hiroshi Zumoto has been involved in improving productivity and strengthening the production system in all plants of the Company as a person in charge of production technology. He has been Operating Officer and General Manager of semiconductor Manufacturing since April 2012,as and has been in charge of the semiconductor business since April 2020,supervising the development, production and sales departments of the semiconductor business of the Company and working to promote business. As we believe it necessary to leverage his abundant experience and knowledge in continuing to implement a growth strategy and aiming to continually improve the Group's corporate value, we nominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Outside Director</div> <p style="text-align: center;">Akira Uno (August 15, 1942; 78 years of age)</p>	<p>Apr. 1966 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>June 1993 Director and Manager of Ningyocho Branch, The Sumitomo Bank, Limited</p> <p>Feb. 1996 Representative Executive Director, Sumitomo Credit Service Co., Ltd.</p> <p>June 2000 Representative Director and Vice President, Sumitomo Credit Service Co., Ltd.</p> <p>Apr. 2001 Representative Director and Vice President, Sumitomo Mitsui Card Company, Limited due to merger</p> <p>June 2003 Chairman and Operating Officer, SMBC Consulting Co., Ltd.</p> <p>Feb. 2006 Operating Officer, Japan Post Holdings Co., Ltd.</p> <p>Oct. 2007 Managing Officer, Japan Post Bank Co., Ltd.</p> <p>June 2009 Outside Director, HASHIMOTO SOGYO Ltd. (currently HASHIMOTO SOGYO HOLDINGS Ltd.) (incumbent)</p> <p>Aug. 2009 Special Advisor, the Company</p> <p>June 2014 Outside Director, the Company (incumbent)</p> <p>(Significant concurrent positions)</p> <p>Outside Director, HASHIMOTO SOGYO HOLDINGS Ltd</p> <p>Specially Appointed Professor at Graduate School of Economics, Kyoto University (Doctor of Economics)</p> <p>Senior Executive Fellow, DMG MORI Co.,LTD.</p>	10,200 shares
4	<p>[Reason for appointment as a candidate for Outside Director] Akira Uno is the candidate for Outside Director. He has abundant experience and knowledge he has gained as a management executive of many companies. He provides recommendations and advice on the Group's growth strategy and managerial reform at its board meetings as Outside Director and the Chairman of the Nomination and Compensation Committee, and performs a decision-making function and supervisory function. As we believe he is qualified to supervise the management of the Company, we nominate him as a candidate for Outside Director.</p> <p>[Special conflict of interest, etc. between the Company and entities at which the candidate holds concurrent positions] There is no special relationship between the Company and HASHIMOTO SOGYO HOLDINGS Ltd., Kyoto University, and DMG MORI Co.,LTD. at which Akira Uno holds concurrent positions.</p> <p>[Liability limitation agreement] In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement limiting liability for damages under Article 423, Paragraph 1 of the Companies Act with Akira Uno. The limit of liability for damages under the agreement is the amount specified in Article 425, Paragraph 1 of the Companies Act. The Company will continue said agreement if his reappointment is approved.</p> <p>[Notification as Independent Officer] Akira Uno had performed duties at Sumitomo Mitsui Banking Corporation (the Sumitomo Bank, Limited at the time he joined the bank), which is one of the correspondent banks of the Company, as well as affiliated companies of the bank, until February 2006. However, his transactions with the bank are based on general agreements, and it has been 15 years since he retired from the bank. Accordingly, the Company has determined that he has no potential conflict of interest with general shareholders and notified him as an Independent Officer to the Tokyo Stock Exchange. The Company will continue to appoint him as an Independent Officer if his reappointment is approved.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Outside Director (at the conclusion of the Annual Meeting of Shareholders): 7 years</p>		

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Outside Director</div> Koichi Ina (May 6, 1948; 73 years of age)	Apr. 1973 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation) June 2002 Director, Toyota Motor Co., Ltd. June 2007 Senior Managing Director, Toyota Motor Co., Ltd. June 2009 Advisor, Toyota Motor Co., Ltd. Director and Vice President, DAIHATSU MOTOR CO., LTD. June 2010 President, DAIHATSU MOTOR CO., LTD. June 2013 Chairman, DAIHATSU MOTOR CO., LTD. June 2015 Outside Director, KUBOTA Corporation (incumbent) June 2016 Senior Adviser, DAIHATSU MOTOR CO., LTD. June 2019 Outside Director, the Company (incumbent) (Significant concurrent positions) Outside Director, KUBOTA Corporation Chairman, Central Japan Industries Association	15,800 shares
5	<p>[Reason for appointment as a candidate for Outside Director] Koichi Ina is the candidate for Outside Director. He has abundant experience and broad knowledge he has gained as a management executive and engineer at Japan's leading auto manufacturers. He provides recommendations and advice on the Group's growth strategy and managerial reform at its board meetings as Outside Director and Member of the Nomination and Compensation Committee, and performs the decision-making function and supervisory function. As we believe he is qualified to supervise the management of the Company, we nominate him as a candidate for Outside Director.</p> <p>[Special conflict of interest, etc. between the Company and entities at which the candidate holds concurrent positions] There is no special relationship between the Company and KUBOTA Corporation and Central Japan Industries Association at which Koichi Ina has concurrent positions.</p> <p>[Facts of wrongful execution of duties, etc. during the term of office of officers at other companies, measures for prevention and ex post facto responses, etc. during the past five years] Koichi Ina has been serving as Outside Director of KUBOTA Corporation since his assumption in June 2015. KUBOTA announced in November 2018 an inappropriate act regarding the inspection record of expendable parts (mill roll) used in facilities to produce steel sheet, etc. He had not been aware of this fact until this issue was uncovered, and he had been making recommendations at board meetings from the perspectives of compliance. After he came to know the fact, he has been carrying out his duty such as thoroughly investigating the cause, developing preventive measures and reviewing the inspection system.</p> <p>[Liability limitation agreement] In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement limiting liability for damages under Article 423, Paragraph 1 of the Companies Act with Koichi Ina. The limit of liability for damages under the agreement is the amount specified in Article 425, Paragraph 1 of the Companies Act. The Company will continue said agreement if his reelection is approved.</p> <p>[Notification as Independent Officer] The Company has notified Koichi Ina as an Independent Executive Officer to the Tokyo Stock Exchange. The Company will continue to appoint him as an Independent Officer if his reappointment is approved.</p> <p>Attendance at board meetings: 14/14 meetings (After assuming the office of Director) Number of years in office of Outside Director (at the conclusion of the Annual Meeting of Shareholders): 2 years</p>		

<Reference>

I. Criteria for Appointment/Dismissal of Directors and Corporate Auditors

[Appointment Criteria]

1. Such person has an excellent personality, knowledge and management sense, and is familiar with managerial issues.
2. Such person has a superior ability to make analysis and judgment objectively from a company-wide perspective.
3. Such person can state his/her opinion positively from a company-wide perspective.
4. Such person can secure time and effort required to properly perform his/her duties and responsibilities as Director/Corporate Auditor.
5. Such person satisfies statutory eligibility requirements for Director/Corporate Auditor.
6. As for a candidate for Outside Director/Outside Corporate Auditor, such person satisfies the Company's criteria for judgment of independence.
7. The appointment of such candidate for Director maintains the diversity of experience and expertise, has the Board of Directors exercise its function most efficiently and effectively, and brings a balance so that management is supervised throughout the Company.
8. The appointment of such candidate for Corporate Auditor brings a balance among knowledge, experience and expertise.
At least one Corporate Auditor has considerable knowledge in finance and accounting.

[Dismissal Criteria]

1. Cases where a material fact in violation of laws, regulations or the Articles of Incorporation is found.
2. Cases where a significant deviation from the appointment criteria is found.
3. Cases where the corporate value is significantly damaged by a failure to perform duties.
4. Cases where an event occurs that makes appropriate execution of duties difficult.

II. Criteria for Appointment of Outside Officers and for Judgment of Independence of the Company

[Criteria for Appointment of Outside Officers]

1. Such person has an excellent personality, high ethical standards and is physically and mentally fit.
2. Such person has a high level of expertise and abundant experience in areas such as business management, corporate management, legal affairs and accounting.
3. Such person can secure sufficient time to attend board meetings, etc. and is qualified to perform his/her duties.
4. Such person satisfies statutory eligibility requirements for Outside Officer.

[Criteria for Judgment of Independence]

Outside Officers to whom none of the following conditions applies can be "Independent Officers."

1. Person who performs or has performed duties of the Group
2. Person who performs duties of a major business partner of the Group (customer or supplier whose transaction amount exceeds 1% of the annual consolidated sales in the latest business period) or its parent company or important subsidiary
3. Person who performs duties of a financial institution which is essential to the Group's funding and cannot be replaced and on which the Group relies, or other major creditor or its parent company or important subsidiary
4. Consultant, accountant, tax accountant or lawyer who earns money or other assets over 10 million yen (average of the past three years) in a year from the Group other than director's remuneration
5. Member of the audit firm which performs an accounting audit of the Group or staff who has been directly engaged in audit of the Group
6. Person who performs duties of a major shareholder, a major shareholder organization or its group whose shareholding ratio is more than 10% in the Company's latest shareholder registry
7. Person who satisfied conditions 2 through 5 above in the past three years or a partner/relative within the second degree of kinship of a person listed in 1 through 6 above

III. Composition of Officers [Management System (Planned) after the Approval of Agenda]

Name	Independence	Knowledge and experience particularly expected by the Company						
		Corporate management	Management strategy	Knowledge about the Company's business	Production technology, research and development	Finance, accounting and tax practice/finance	Legal affairs	Overseas posting experience
Director	Hajimu Yoshimura	●	●	●	●			●
	Masaki Fujiwara	●	●	●		●		●
	Hiroshi Zumoto		●	●	●			
	Akira Uno	●	●			●		
	Koichi Ina	●	●		●			
Audit & Supervisory Board Members	Ichiro Kitano			●	●			●
	Kazuhiro Egawa	●	●				●	
	Eriko Nashioka	●	●			●		