

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 4401

June 2, 2021

To our shareholders

Hidetaka Shirozume  
President and Chief Executive Officer  
**ADEKA Corporation**  
7-2-35 Higashi-ogu, Arakawa-ku, Tokyo 116-8554, Japan

## Notice of the 159th Ordinary General Meeting of Shareholders

We are pleased to announce that the 159th Ordinary General Meeting of Shareholders will be held as indicated below. In order to prevent the spread of novel coronavirus infections, we urge that you exercise your voting rights for this General Meeting of Shareholders in advance in writing or via the Internet when possible.

You may exercise your voting rights in advance through either of the methods described below. After having reviewed the Reference Documents for the General Meeting of Shareholders, please exercise your voting rights by 5:15 p.m. on Thursday, June 17, 2021 (JST).

**1. Date and Time:** June 18, 2021 (Friday) 10:00 a.m. (JST)

**2. Location:** ADEKA Corporation Head Office  
7-2-35 Higashi-ogu, Arakawa-ku, Tokyo, Japan

### 3. Purpose of the Meeting:

#### Matters to be reported:

1. Report on the content of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 159th fiscal year (from April 1, 2020 to March 31, 2021)
2. Report on the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

#### Matters to be resolved:

- Proposal 1** Appropriation of the Surplus
- Proposal 2** Partial Amendments to the Articles of Incorporation
- Proposal 3** Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 4** Election of Five (5) Directors Who Are Audit and Supervisory Committee Members
- Proposal 5** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member
- Proposal 6** Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 7** Determination of the Amount of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members
- Proposal 8** Determination of Matters Related to Restricted Stock Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and External Directors)

### 4. Exercise of Voting Rights

#### (1) Exercise of voting rights in writing

Please indicate your approval or disapproval to each of the proposals on the enclosed voting form, and return it to us **by 5:15 p.m. on Thursday, June 17, 2021.**

#### (2) Exercise of voting rights via the Internet, etc.

Please access the dedicated website for exercising voting rights specified by the Company

(<https://www.web54.net>), and, having used the voting code and password, follow the on-screen explanation to enter your approval or disapproval to each of the proposals **by 5:15 p.m. on Thursday, June 17, 2021.**

In addition, in the event that voting rights are exercised multiple times when exercising voting rights in writing and via the Internet, etc., the most recent one to arrive with us shall be considered valid, but if both arrive on the same day, the exercise of voting rights via the Internet, etc. shall be considered valid.

- If you are attending the meeting in person, please submit the enclosed voting form at the reception of the venue.
- With regard to the following matters, in accordance with relevant laws and regulations, and as prescribed in Article 15 of the Company's Articles of Incorporation, the materials have been made available on the Company's website (<https://www.adeka.co.jp>), and are therefore not presented in the document appended to this Notice.
  - (1) From the Business Report, the "Outline of the content of resolutions regarding systems etc. put in place to ensure the appropriateness of operations, and the operational status of such systems," and the "Outline of the content of the basic policy regarding control of the Company," "Changes in financial position and operating results," "Details of the principal business," "Principal sales offices and plants, etc.," "Status of employees," "Status of major lenders," and "Status of accounting auditor"
  - (2) The "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements" from the Consolidated Financial Statements
  - (3) The "Non-consolidated Statements of Changes in Equity" and "Notes to the Financial Statements" from the Non-consolidated Financial Statements
- In the event that revisions are required to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements, revised versions of these documents will be available on the Company's website (<https://www.adeka.co.jp>).
- In order to save electricity, on the day of the meeting, the temperature of the air conditioning in the venue will be set at a slightly higher level, and accordingly we respectfully suggest that you avoid heavy clothing.
- Please refer to the "Action Taken to Prevent the Spread of the Novel Coronavirus Infection at the 159th Ordinary General Meeting of Shareholders of ADEKA Corporation" enclosed with this convocation notice for details on the Company's response to the novel coronavirus.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference matters

#### Proposal 1 Appropriation of the Surplus

With regard to the appropriation of the surplus, the Company proposes the following.

##### Year-end dividends

The Company's basic policy is to return profits to shareholders in an appropriate manner, having considered the financial situation and performance etc., while at the same time working to strengthen and expand the financial position and the management base, and the dividend amount is determined accordingly. As a result of careful consideration based on this dividend policy, and after having taken into account performance for the fiscal year under review, the need to reinforce the management base and future business expansion, the Company proposes a year-end dividend for the 159th fiscal year as follows.

##### (1) Type of dividends

Cash

##### (2) Dividend allocation and their aggregate amount

Dividend per common share of the Company: ¥24

Adding the year-end dividend for the fiscal year under review to the interim dividend of ¥24 yields an annual dividend of ¥48 (the annual dividend for the previous fiscal year was ¥48 per share).

Total dividends: ¥2,488,975,680

Effective date of dividends of surplus on Monday, June 21, 2021



Current Articles of Incorporation	Proposed amendments
<p>Chapter IV. Directors and Board of Directors (Number) Article 18. The Company shall have not more than <u>15</u> Directors.  (New)</p> <p>(Election) Article 19. Directors shall be elected at a general meeting of shareholders.</p> <p>2. The resolutions for election under the preceding paragraph shall require the presence of shareholders holding one-third or more of the total votes of shareholders entitled to exercise voting rights, and shall be adopted by a majority of the votes of the shareholders.</p> <p>3. No cumulative voting shall be used for the election of Directors.  (New)</p> <p>(Term of office) Article 20. The term of office of Directors shall expire at the close of the ordinary general meeting of shareholders relating to the last business year ending within one year after the election.  (New)</p> <p>(New)</p>	<p>Chapter IV. Directors and Board of Directors (Number) Article 18. The Company shall have not more than <u>18</u> Directors. <u>2. Of the Directors specified in the preceding paragraph, the Company shall have not more than five (5) Directors who are Audit and Supervisory Committee Members.</u></p> <p>(Election) Article 19. Directors shall be elected at a general meeting of shareholders <u>distinguishing Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p>2. The resolutions for election under the preceding paragraph shall require the presence of shareholders holding one-third or more of the total votes of shareholders entitled to exercise voting rights, and shall be adopted by a majority of the votes of the shareholders.</p> <p>3. No cumulative voting shall be used for the election of Directors.</p> <p><u>4. The resolution concerning the preliminary election of a substitute for a Director who is an Audit and Supervisory Committee Member shall be effective until the start of the general meeting of shareholders relating to the last business year ending within two years after the resolution.</u></p> <p>(Term of office) Article 20. The term of office of Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) shall expire at the close of the ordinary general meeting of shareholders relating to the last business year ending within one year after the election.</p> <p><u>2. The term of office of Directors who are Audit and Supervisory Committee Members shall expire at the close of the ordinary general meeting of shareholders relating to the last business year ending within two years after the election.</u></p> <p><u>3. The term of office of Directors who are Audit and Supervisory Committee Members elected to fill a vacancy of the Directors who are Audit and Supervisory Committee Members exiting before their term shall expire at such time as the term of office of the retired Directors who are Audit and Supervisory Committee Members would expire.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>(Board of Directors)</p> <p>Article 21.</p> <p>The Board of Directors shall be composed of the Directors.</p> <p>2. The Company chairman shall convene the Board of Director's meetings and serve as the chairman, except when some arrangement is made by a special decree. If the chairman is prevented from discharging his duties, another director, in the order previously fixed by the Board of Directors, shall take his position.</p> <p>3. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director <u>and each Corporate Auditor</u> two days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgent necessity. A meeting of the Board of Directors may be held without taking the convocation procedures with the unanimous consent of all Directors <u>and Corporate Auditors</u>.</p> <p>4. A resolution of the Board of Directors shall require the presence of a majority of the total number of directors entitled to vote, and shall be adopted by a majority vote of such directors.</p> <p>5. The Company shall deem that a resolution of the Board of Directors is adopted when the requirements set forth in Article 370 of the Company Law are satisfied.</p> <p>6. The matters relating to the Board of Directors shall be in accordance with laws and these Articles, and shall be provided for separately in the Regulations of the Board of Directors.</p> <p style="text-align: center;">(New)</p>	<p>(Board of Directors)</p> <p>Article 21.</p> <p>The Board of Directors shall be composed of the Directors.</p> <p>2. The Company chairman shall convene the Board of Director's meetings and serve as the chairman, except when some arrangement is made by a special decree. If the chairman is prevented from discharging his duties, another director, in the order previously fixed by the Board of Directors, shall take his position.</p> <p>3. Notice for convening a meeting of the Board of Directors shall be dispatched to each Director two days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgent necessity. A meeting of the Board of Directors may be held without taking the convocation procedures with the unanimous consent of all Directors.</p> <p>4. A resolution of the Board of Directors shall require the presence of a majority of the total number of directors entitled to vote, and shall be adopted by a majority vote of such directors.</p> <p>5. The Company shall deem that a resolution of the Board of Directors is adopted when the requirements set forth in Article 370 of the Company Law are satisfied.</p> <p>6. The matters relating to the Board of Directors shall be in accordance with laws and these Articles, and shall be provided for separately in the Regulations of the Board of Directors.</p> <p><u>(Delegation of decision-making on important business execution to the Board of Directors)</u></p> <p><u>Article 22.</u></p> <p><u>Pursuant to the provisions of Article 399-13, Paragraph 6 of the Company Law, the Company may, by a resolution of the Board of Directors, delegate to its Directors all or part of its decision-making regarding important business execution (excluding the matters set forth in items of Paragraph 5 of the same article).</u></p>
<p>(Representative Directors)</p> <p>Article <u>22</u>.</p> <p>A Director or Directors to represent the Company shall be selected by resolution of the Board of Directors.</p>	<p>(Representative Directors)</p> <p>Article <u>23</u>.</p> <p>A Director or Directors to represent the Company shall be selected <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by resolution of the Board of Directors.</p>

Current Articles of Incorporation	Proposed amendments
<p>(Directors with specific titles) Article <u>23</u>. A Chairman of the Board and a President may be selected by resolution of the Board of Directors.</p> <p>(Remuneration) Article <u>24</u>. The remuneration, bonuses and other property benefits of Directors received from the Company as compensation for execution of their duties shall be determined by the resolution of a general meeting of shareholders.</p>	<p>(Directors with specific titles) Article <u>24</u>. A Chairman of the Board and a President may be selected <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> resolution of the Board of Directors.</p> <p>(Remuneration) Article <u>25</u>. The remuneration, bonuses and other property benefits of Directors received from the Company as compensation for execution of their duties shall be determined by the resolution of a general meeting of shareholders, <u>distinguishing those for Directors who are Audit and Supervisory Committee Members and those for other Directors.</u></p>
<p>(<u>Limited liability contract with</u> Outside Directors) Article <u>25</u>.  (New)</p> <p>The Company may enter into a contract with the outside Directors limiting their liability for damages under Article 423, Paragraph 1 of the Company Law to the amount stipulated by decree on condition that they are bona fide and without gross negligence.</p>	<p>(<u>Exemption of Outside Directors from liability</u>) Article <u>26</u>. <u>Pursuant to the provisions of Article 426, Paragraph 1 of the Company Law, the Company may, by a resolution of the Board of Directors, exempt Directors (including former Directors) from their liability for damages as stipulated by Article 423, Paragraph 1 of the Company Law, up to the maximum set forth by laws and regulations.</u> <u>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, the Company may enter into a contract with the Outside Directors limiting their liability for damages under Article 423, Paragraph 1 of the Company Law to the amount stipulated by decree on condition that they are bona fide and without gross negligence.</u></p>
<p><u>Chapter V. Corporate Auditors and Board of Corporate Auditors</u> <u>(Number)</u> <u>Article 26.</u> <u>The Company shall have not more than five (5) Corporate Auditors.</u> <u>(Election)</u> <u>Article 27.</u> <u>Corporate Auditors shall be elected at a general meeting of shareholders.</u> <u>2. The resolutions for election under the preceding paragraph shall require the presence of shareholders holding one-third or more of the total votes of shareholders entitled to exercise voting rights, and shall be adopted by a majority of the votes of the shareholders.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>(Term of office)</u>  <u>Article 28.</u>  <u>The term of office of Corporate Auditors shall expire at the close of the ordinary general meeting of shareholders relating to the last business year ending within four (4) years after the elections.</u>  <u>2. The term of office of Corporate Auditors elected to fill a vacancy of the Corporate Auditor(s) exiting before their term shall expire at such time as the term of office of the retired Corporate Auditor would expire.</u></p>	<p>(Deleted)</p>
<p><u>(Board of Corporate Auditors)</u>  <u>Article 29.</u>  <u>The Board of Corporate Auditors shall be composed of the Corporate Auditors.</u>  <u>2. Notice for convening a meeting of the Board of Corporate Auditors shall be dispatched to each Corporate Auditor two days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgent necessity. A meeting of the Board of Corporate Auditors may be held without taking the convocation procedures with the unanimous consent of all Corporate Auditors.</u>  <u>3. The resolution for the Board of Corporate Auditors shall require the majority of Corporate Auditors except when some arrangement is made by a special decree.</u>  <u>4. The matters relating to the Board of Corporate Auditors shall be in accordance with laws and these Articles, and shall be provided for separately in the Regulations of the Board of Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>(Full-time Corporate Auditors)</u>  <u>Article 30.</u>  <u>The Board of Corporate Auditors shall, by its resolution, select a full-time Corporate Auditor or Auditors.</u></p>	<p>(Deleted)</p>
<p><u>(Remuneration, etc.)</u>  <u>Article 31.</u>  <u>The remuneration, etc. for Corporate Auditors shall be determined by the resolution of a general meeting of shareholders.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>(Limited liability contract with Outside Corporate Auditors)</u>  <u>Article 32.</u>  <u>The Company may enter into a contract with the Outside Corporate Auditors limiting their liability for damages under Article 423, Paragraph 1 of the Company Law to the amount stipulated by decree on condition that they are bona fide and without gross negligence.</u></p> <p style="text-align: right;">(New) (New)</p> <p style="text-align: right;">(New)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>Chapter V. Audit and Supervisory Committee (Audit and Supervisory Committee)</u>  <u>Article 27.</u>  <u>The Audit and Supervisory Committee shall be composed of Audit and Supervisory Committee Members.</u>  <u>2. Notice for convening a meeting of the Audit and Supervisory Committee shall be dispatched to each Audit and Supervisory Committee Member two days prior to the date of the meeting; provided, however, that such period of notice may be shortened in case of urgent necessity. A meeting of the Audit and Supervisory Committee may be held without taking the convocation procedures with the unanimous consent of all Audit and Supervisory Committee Members.</u>  <u>3. A resolution of the Audit and Supervisory Committee shall require the presence of a majority of the total number of Audit and Supervisory Committee Members entitled to vote, and shall be adopted by a majority vote of such Audit and Supervisory Committee Members.</u>  <u>4. The matters relating to the Audit and Supervisory Committee shall be in accordance with laws and these Articles, and shall be provided for separately in the Regulations of the Audit and Supervisory Committee.</u>  <u>(Full-time Audit and Supervisory Committee Members)</u>  <u>Article 28.</u>  <u>The Audit and Supervisory Committee may, by its resolution, select some full-time Audit and Supervisory Committee Members.</u></p>
<p>Chapter VI. Accounting Auditors  Articles <u>33.</u> through <u>34.</u></p> <p style="text-align: right;">(Omitted)</p>	<p>Chapter VI. Accounting Auditors  Articles <u>29.</u> through <u>30.</u></p> <p style="text-align: right;">(Unchanged)</p>
<p>Chapter VII. Accounts  Article <u>35.</u></p> <p style="text-align: right;">(Omitted)</p>	<p>Chapter VII. Accounts  Article <u>31.</u></p> <p style="text-align: right;">(Unchanged)</p>

Current Articles of Incorporation	Proposed amendments
<p>(The record date for dividends from the surplus) Article <u>36</u>. The record date for year-end dividend of the Company shall be March 31 of each year. (New)</p> <p><u>2</u>. In addition, the Company may make decision on the record date of dividends from the surplus.</p> <p>(New)</p>	<p>(The record date for dividends from the surplus) Article <u>32</u>. The record date for year-end dividend of the Company shall be March 31 of each year. <u>2. The record date for interim dividend of the Company shall be September 30 of each year.</u> <u>3. In addition to the dates specified in the two preceding paragraphs, the Company may make decision on the record date of dividends from the surplus.</u></p> <p>(Year-end dividends, etc.) <u>Article. 33</u> <u>The Company may pay year-end dividends by a resolution of the general meeting of shareholders.</u> <u>2. When the Board of Directors deems it necessary due to unforeseen circumstances such as natural disasters and the spread of an epidemic, the Company may, by a resolution of the Board of Directors, determine matters stipulated in Article 459, Paragraph 1, Items 2 through 4 of the Company Law, such as dividends from the surplus, unless otherwise provided by laws and regulations.</u></p>
<p>(Interim dividends) Article <u>37</u>. The Company may, by a resolution of the Board of Directors, pay interim dividends, <u>with the record date therefor being September 30 of each year.</u></p> <p>(Period of limitation for dividends) Article <u>38</u>. If dividend assets are monetary, the Company shall be relieved of the obligation to pay such dividend which remains unreceived upon expiration of three full years from the day on which such dividend first became due and payable. 2. Unpaid dividends shall carry no interest.</p>	<p>(Interim dividends) Article <u>34</u>. The Company may, by a resolution of the Board of Directors, pay interim dividends.</p> <p>(Period of limitation for dividends, etc.) Article <u>35</u>. If dividend assets are monetary, the Company shall be relieved of the obligation to pay such dividend which remains unreceived upon expiration of three full years from the day on which such dividend first became due and payable. 2. Unpaid dividends shall carry no interest.</p>

**Proposal 3** Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. In that regard, since the terms of office of all 11 Directors will expire at the conclusion of the Meeting pursuant to Article 332, paragraph 7, item 1 of the Companies Act, the Company proposes the election of 12 Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal).

This Proposal shall take effect on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed and the amendments to the Articles of Incorporation become effective by the resolution of the proposal.

Candidates for the role of Director are as follows:

Candidate No.	Name	Current position and responsibilities within the Company	Reelection / New election
1	Hidetaka Shirozume	President and Chief Executive Officer	Reelection
2	Haruhiko Tomiyasu	Representative Director and Senior Managing Executive Officer Assistant to the President, Secretarial Department, Human Resources Department, Purchasing & Distribution Department, as well as Chair of Internal Control Promotion Committee Director, Audit & Supervisory Committee Member, NIHON NOHYAKU CO., LTD.	Reelection
3	Yoshiaki Kobayashi	Director and Operating Officer General Manager, Foods Division and Project Team Leader, East Asia Foods Business	Reelection
4	Shigeki Fujisawa	Director and Operating Officer General Manager, Chemicals Division	Reelection
5	Yoji Shiga	Director and Operating Officer General Manager, Finance & Accounting Department	Reelection
6	Atsuya Yoshinaka	Director and Operating Officer General Manager, Research & Development Division	Reelection
7	Susumu Yasuda	Director and Operating Officer Legal Affairs & Publicity Department, Corporate Planning & Strategy Division, Information System Department, Business Digitalization Department, Chair of Compliance Promotion Committee, and Chair of Capital Investment Committee	Reelection
8	Naoshi Kawamoto	Director and Operating Officer General Manager, Polymer Additives Division	Reelection
9	Noriyasu Kakuta	Senior Operating Officer General Manager, Environmental and Safety Division	New election
10	Kazuyuki Nagai	Director	Reelection External Independent
11	Shigeru Endo	Director	Reelection External Independent
12	Makoto Horiguchi		New election External Independent

New election: New Candidate for Director

Reelection: Candidate for reelection as Director

External: Candidate for External Director

Independent: Registered with the Tokyo Stock Exchange as an Independent Officer

(Note) The Company has concluded a directors and officers liability insurance contract which indemnifies the insured persons against damage compensation, legal costs, etc. arising from claims for damages caused by an act (including nonfeasance) based on the position of the insured persons as directors and officers of a company, and will renew this contract in August of this year. Among the candidates for Directors proposed in this Proposal, all candidates for reappointment have been insured under this insurance contract and will continue to be insured after their reappointment. The new candidates for Directors will be insured under this insurance contract after their appointment.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
1	Hidetaka Shirozume (November 10, 1961) [Reelection]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)	<p>Apr. 1985    Joined the Company</p> <p>Jun. 2005    General Manager, Electronic Materials Sales Department</p> <p>Jun. 2010    General Manager, Information &amp; Electronic Materials Sales Department</p> <p>Jun. 2011    General Manager, Chemicals Planning &amp; Marketing Department</p> <p>Jun. 2014    Operating Officer, General Manager, Chemicals Planning &amp; Marketing Department</p> <p>Jun. 2015    Operating Officer, General Manager, Osaka Main Branch</p> <p>Jun. 2016    Director and Operating Officer, General Manager, Osaka Main Branch</p> <p>Jun. 2017    Director and Managing Operating Officer, General Manager, Corporate Planning &amp; Strategy Division and Chair of Capital Investment Committee</p> <p>Jun. 2018    President and Chief Operating Officer</p> <p>Jun. 2020    President and Chief Executive Officer (current position)</p>	47,500 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>As the individual responsible for the Chemicals Department and the Chemicals Planning &amp; Marketing Department, Hidetaka Shirozume has worked ceaselessly to stabilize and strengthen the chemicals business of the Company. Since June 2016, he has been involved as a Director in the management of the Company and, beginning in June 2018, his powerful leadership as President and Chief Operating Officer has been used to direct management from the front and guide them towards the goals of the Medium-Term Management Plan "BEYOND 3000." With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as Director. Moreover, in the event that he is elected as Director, he is scheduled to be selected President and Chief Executive Officer at the subsequent meeting of the Board of Directors.</p>			
<p>[Other matters of note in relation to this candidate for Director]</p> <p>No special interests exist between the candidate and the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
2	<p data-bbox="316 730 517 808">Haruhiko Tomiyasu (July 7, 1956) [Reelection]</p> <p data-bbox="316 842 517 981">Attendance rate at the Board of Directors meetings 100% (19 out of 19)</p>	<p data-bbox="539 259 1222 315">Apr. 1979 Joined DAI-ICHI KANGYO BANK, LTD. (present MIZUHO BANK, LTD.)</p> <p data-bbox="539 322 1222 378">Jul. 2005 General Manager, Administration Department, MIZUHO BANK, LTD.</p> <p data-bbox="539 385 1222 418">Jun. 2007 Audit &amp; Supervisory Board Member of the Company</p> <p data-bbox="539 418 1222 580">Jun. 2009 Resigned from position of Audit &amp; Supervisory Board Member of the Company Director and Operating Officer, Legal Affairs &amp; Publicity Department, Finance &amp; Accounting Department, and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 586 1222 620">Dec. 2009 External Auditor of NIHON NOHYAKU CO., LTD.</p> <p data-bbox="539 620 1222 725">Jun. 2010 Director and Operating Officer, Legal Affairs &amp; Publicity Department, Finance &amp; Accounting Department, Information System Department, and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 732 1222 837">Jun. 2012 Director and Operating Officer, Human Resources Department, Finance &amp; Accounting Department, Information System Department and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 844 1222 949">Jun. 2014 Director and Managing Operating Officer, Human Resources Department, Finance &amp; Accounting Department, Information System Department, and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 956 1222 1061">Jun. 2015 Director and Managing Operating Officer, Human Resources Department, Finance &amp; Accounting Department, Purchasing &amp; Distribution Department and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 1068 1222 1229">Jun. 2018 Director and Senior Managing Executive Officer, Assistant to the President, Secretarial Department, Human Resources Department, Purchasing &amp; Distribution Department, and Chair of Internal Control Promotion Committee</p> <p data-bbox="539 1236 1222 1270">Sep. 2018 Corporate Auditor of NIHON NOHYAKU CO., LTD.</p> <p data-bbox="539 1270 1222 1442">Jun. 2020 Director, Audit &amp; Supervisory Committee Member, NIHON NOHYAKU CO., LTD. (current position) Representative Director and Senior Managing Executive Officer, Assistant to the President, Secretarial Department, Human Resources Department, Purchasing &amp; Distribution Department, and Chair of Internal Control Promotion Committee (current position)</p>	39,200 shares
<p data-bbox="316 1458 815 1491">[Reasons for nomination as candidate for Director]</p> <p data-bbox="316 1491 1418 1805">Haruhiko Tomiyasu possesses long years of experience in the financial industry, coupled with a high level of knowledge, and has been involved in the management of the Company and provided valuable opinions on management in general, including the treatment of important issues related to the finances of the Company as Audit &amp; Supervisory Board Member and Director. Since June 2020, he has displayed his powerful leadership and high job performance in the management of the Company as Representative Director and Senior Managing Executive Officer. In addition, as Chair of the Internal Control Promotion Committee, he has pushed for the strengthening of the Group's internal control promotion systems. With the expectation of leveraging his abundant experience, knowledge and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as a Director. Moreover, in the event that he is elected as Director, he is scheduled to be selected Representative Director and Senior Managing Executive Officer at the subsequent meeting of the Board of Directors.</p>			
<p data-bbox="316 1812 932 1845">[Other matters of note in relation to this candidate for Director]</p> <p data-bbox="316 1845 963 1879">No special interests exist between the candidate and the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
3	Yoshiaki Kobayashi (May 7, 1962) [Reelection]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)	Apr. 1985    Joined the Company	22,800 shares
		Feb. 2011    General Manager, West Japan Foods Sales Department	
		Jun. 2012    General Manager, East Japan Foods Sales Department	
		Jun. 2016    Operating Officer, Deputy General Manager, Foods Division, and General Manager, East Japan Foods Sales Department	
		Jun. 2017    Director and Operating Officer, General Manager, Foods Division, and Project Team Leader, East Asia Foods Business (current position)	
		Mar. 2018    Managing Director, ADEKA FOODS (CHANGSHU) CO., LTD. (current position)	
		(Significant concurrent position outside the Company)	
		Managing Director, ADEKA FOODS (CHANGSHU) CO., LTD.	
		[Reasons for nomination as candidate for Director] Yoshiaki Kobayashi has been involved in foods product sales for many years, and, as the individual responsible for the sales department, has worked ceaselessly to stabilize and strengthen the foods business. Since June 2017, he has been involved in the management of the Company as a Director, and has performed his duties in an appropriate manner. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as Director.	
		[Other matters of note in relation to this candidate for Director] The Company has a transactional relationship involving loan guarantees, financial loans, the buying and selling of products, and technology licensing with ADEKA FOODS (CHANGSHU) CO., LTD.	
4	Shigeki Fujisawa (May 26, 1963) [Reelection]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)	Apr. 1987    Joined the Company	20,400 shares
		Jun. 2009    General Manager, Functional Resins Sales Department	
		Jun. 2011    General Manager, Information & Electronic Materials Sales Department	
		Jun. 2015    General Manager, Chemicals Planning & Marketing Department	
		Jun. 2016    Operating Officer, Deputy General Manager, Chemicals Division, and General Manager, Chemicals Planning & Marketing Department	
		Mar. 2017    Managing Director, ADEKA FINE CHEMICAL TAIWAN CORP. (current position)	
		Managing Director, ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD. (current position)	
		Jun. 2017    Director and Operating Officer, General Manager, Chemicals Division (current position)	
		(Significant concurrent positions outside the Company)	
		Managing Director, ADEKA FINE CHEMICAL TAIWAN CORP.	
		Managing Director, ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.	
		[Reasons for nomination as candidate for Director] Shigeki Fujisawa has been involved in chemical product sales for many years, and, as the individual responsible for the Chemicals Department and the Chemicals Planning & Marketing Department, has worked unceasingly to strengthen the chemicals business. Since June 2017, he has been involved in the management of the Company as a Director, and has performed his duties in an appropriate manner. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as a Director.	
		[Other matters of note in relation to this candidate for Director] The Company has transactional relationships involving the buying and selling products, as well as technology licensing, with ADEKA FINE CHEMICAL TAIWAN CORP. and ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.	

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of the Company's shares owned
5	Yoji Shiga (August 3, 1962) [Reelection]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)	Apr. 1985	Joined the Company	24,800 shares
		Jun. 2006	General Manager, Finance & Accounting Department	
		Jun. 2014	Operating Officer, General Manager, Finance & Accounting Department	
		Jun. 2018	Director and Operating Officer, General Manager, Finance & Accounting Department (current position)	
[Reasons for nomination as candidate for Director] Yoji Shiga has many years of experience as the individual responsible for the Finance & Accounting Department, working to strengthen the financial position of the Group by drawing up and promoting the financial strategy as the General Manager of the Financial & Accounting Department. Since June 2018, he has been involved in the management of the Company as a Director. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as a Director.				
[Other matters of note in relation to this candidate for Director] No special interests exist between the candidate and the Company.				
6	Atsuya Yoshinaka (February 10, 1963) [Reelection]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)	Apr. 1985	Joined the Company	21,200 shares
		Sep. 2009	General Manager, Electronic Materials Development Laboratory	
		Jun. 2014	Operating Officer, General Manager, Electronic Materials Development Laboratory	
		Jun. 2015	Operating Officer, General Manager, R&D Planning Department	
		Jun. 2018	Director and Operating Officer, General Manager, Research & Development Division (current position) President & Chief Executive Officer, TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD.) (current position)	
(Significant concurrent positions outside the Company) President & Chief Executive Officer, TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD.				
[Reasons for nomination as candidate for Director] Atsuya Yoshinaka has many years of experience as the individual responsible for research and development in the electronic materials field and the R&D Planning Department, driving R&D and implementing initiatives promote the Company's R&D and planning development activities. Since June 2018, he has been involved in the management of the Company as Director. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as Director.				
[Other matters of note in relation to this candidate for Director] There is a transactional relationship involving consignment of analytical operation between the Company and TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD.				

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
7	Susumu Yasuda (April 29, 1959) [Reelection]  Attendance rate at the Board of Directors meetings 100% (15 out of 15)	<p>Apr. 1985    Joined the Company</p> <p>Jun. 2009    General Manager, Legal Affairs &amp; Publicity Department</p> <p>Jun. 2012    General Manager, Human Resources Department</p> <p>Jun. 2015    Operating Officer, General Manager, Human Resourced Department</p> <p>Jun. 2017    Operating Officer, General Manager, Osaka Main Branch</p> <p>Jun. 2020    Director and Operating Officer, Legal Affairs &amp; Publicity Department, Corporate Planning &amp; Strategy Division, Information System Department, Chair of Compliance Promotion Committee, and Chair of Capital Investment Committee</p> <p>Oct. 2020    Director and Operating Officer, Legal Affairs &amp; Publicity Department, Corporate Planning &amp; Strategy Division, Information System Department, Business Digitalization Department, Chair of Compliance Promotion Committee, and Chair of Capital Investment Committee (current position)</p>	14,800 shares
[Reasons for nomination as candidate for Director] Susumu Yasuda held important positions such as General Manager of the Legal Affairs & Publicity Department and General Manager of Human Resources Department, where he promoted the strengthening of the Company's management structure. In addition, as General Manager of the Osaka Main Branch, he has worked to stabilize and strengthen the company's domestic business. Since June 2020, he has been involved in the management of the Company as Director and has performed his duties in an appropriate manner such as strengthening the information security management system and promoting the digitalization of operations of the Company. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as Director.			
[Other matters of note in relation to this candidate for Director] No special interests exist between the candidate and the Company.			
8	Naoshi Kawamoto (December 17, 1962) [Reelection]  Attendance rate at the Board of Directors meetings 100% (15 out of 15)	<p>Jan. 2002    Joined the Company</p> <p>Jun. 2014    General Manager, Polymer Additives R&amp;D Laboratory</p> <p>Jun. 2017    Operating Officer, General Manager, Polymer Additives R&amp;D Laboratory</p> <p>Jun. 2020    Director and Operating Officer, General Manager, Polymer Additives Division (current position)</p> <p>Mar. 2021    Managing Director, ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. (current position)</p> <p>Apr. 2021    Managing Director, CHANG CHIANG CHEMICAL CO., LTD. (current position) Managing Director, ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. (current position)</p> <p>(Significant concurrent positions outside the Company) Managing Director, ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. Managing Director, CHANG CHIANG CHEMICAL CO., LTD. Managing Director, ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD.</p>	12,600 shares
[Reasons for nomination as candidate for Director] As the individual responsible for the research and development department within the Polymer Additives Division, Naoshi Kawamoto has contributed to the global expansion of the business through the strengthening of the research and development system of the Company and the development of products that meet the needs of the market and customers. Since June 2020, he has been involved in the management of the Company as Director and has performed his duties in an appropriate manner. With the expectation of leveraging his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to continue serving as Director.			
[Other matters of note in relation to this candidate for Director] The Company has a transactional relationship involving technology licensing and financial loans with ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. The Company has a transactional relationship involving the buying and selling products with CHANG CHIANG CHEMICAL CO., LTD. The Company has a transactional relationship involving the buying and selling products, as well as technology licensing, with ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD.			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned	
9	Noriyasu Kakuta (April 2, 1959) [New election]	Apr. 1985	Joined the Company	11,000 shares
		Jun. 2014	General Manager, Kashima Plant	
		Jun. 2016	Operating Officer, General Manager, Kashima Plant	
		Jun. 2018	Operating Officer, Deputy General Manager, Production Division	
Dec. 2018	Operating Officer, General Manager, Environmental and Safety Division			
Mar. 2019	Operating Officer, General Manager, Environmental and Safety Division, and General Manager, Technology & Engineering Department			
Jun. 2020	Senior Operating Officer, General Manager, Environmental and Safety Division (current position)			
[Reasons for nomination as candidate for Director] As the individual responsible for supervising the Production Division and the Environmental and Safety Division, Noriyasu Kakuta has worked to strengthen the production system, environmental measures, quality audits, safety management, etc. of the Company. Since June 2016, he has been involved in the management of the Company as Operating Officer and has performed his duties in an appropriate manner. In order to leverage his abundant experience and track record for the benefit of the management of the Group, the Company requests that he be elected to serve as Director.				
[Other matters of note in relation to this candidate for Director] No special interests exist between the candidate and the Company.				
10	Kazuyuki Nagai (September 24, 1945) [Reelection] [External] [Independent]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)  Years of service (as of the conclusion of this general meeting of shareholders) Eleven (11) years	Apr. 1981	Professor, Faculty of Law, CHUO UNIVERSITY (Companies Act)	6,900 shares
		Nov. 1999	Dean, Faculty of Law, CHUO UNIVERSITY	
		May 2004	Registered as attorney (current position)	
		Nov. 2005	President, CHUO UNIVERSITY	
		Dec. 2005	Chancellor, CHUO UNIVERSITY	
Jun. 2010	External Director of the Company (current position)			
Jun. 2012	Chairman, UNIVERSITY CORRESPONDENCE EDUCATION (current position)			
Apr. 2016	Professor Emeritus, CHUO UNIVERSITY (current position)			
(Significant concurrent positions outside the Company) Chairman, UNIVERSITY CORRESPONDENCE EDUCATION Professor Emeritus, CHUO UNIVERSITY				
[Reasons for nomination as candidate for External Director and expected roles] Kazuyuki Nagai has taught commercial law (Companies Act) in the University's Law Faculty for many years, and is also a qualified attorney. He has had no direct experience of involvement in company management in the past except through his role as External Director of the Company, but the Company expects that his abundant practical experience in the management of university as Chancellor and President of the University in combination with his highly specialized knowledge, enables him to offer advice on the general management of the Company, and we therefore request that he be elected to continue serving as External Director.				
[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. Accordingly, the Company has registered him with the Tokyo Stock Exchange as Independent Director. In the event that the candidate is reelected as External Director, the Company will continue his registration as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.				
[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the reelection of the candidate is approved at this general meeting of shareholders, the Company intends to roll over this limitation of liability contract.				
[Other matters of note in relation to this candidate for External Director] No special interests exist between the candidate and the Company.				

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
11	Shigeru Endo (October 16, 1948) [Reelection] [External] [Independent]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)  Years of service (as of the conclusion of this general meeting of shareholders) Three (3) years	<p>Apr. 1974    Joined Ministry of Foreign Affairs</p> <p>Feb. 1989    Seconded to International Energy Agency</p> <p>Apr. 2001    Deputy Director-General in the Middle Eastern and African Affairs Bureau, Ministry of Foreign Affairs</p> <p>Feb. 2002    Deputy Director-General in the Consular and Migration Affairs Bureau, Ministry of Foreign Affairs</p> <p>Aug. 2003    Ambassador to the Permanent Mission of Japan to the International Organizations in Geneva, and Consul General of Japan in the Japanese Consulate in Geneva</p> <p>Mar. 2007    Ambassador Extraordinary and Plenipotentiary to Republic Tunisia</p> <p>Jul. 2009    Ambassador Extraordinary and Plenipotentiary to Saudi Arabia</p> <p>Oct. 2012    Retired from Ministry of Foreign Affairs</p> <p>Jun. 2013    External Director, JGC CORPORATION External Director, IINO KAIUN KAISHA, LTD. (current position)</p> <p>Apr. 2014    Special Assistant to the Ministry of Foreign Affairs (current position)</p> <p>Dec. 2017    Special Envoy for EXPO 2025</p> <p>Jun. 2018    External Director of the Company (current position)</p> <p>Oct. 2019    Outside Director, JGC HOLDINGS CORPORATION (current position)</p> <p>(Significant concurrent positions outside the Company) External Director of IINO KAIUN KAISHA, LTD. Special Assistant to the Ministry of Foreign Affairs Outside Director of JGC HOLDINGS CORPORATION</p>	0 shares
[Reasons for nomination as candidate for External Director and expected roles] Shigeru Endo spent many years as an active diplomat, and has abundant international experience. He has had no direct experience of involvement in company management in the past except through his role as External Director of the Company, but the Company expects that his broad knowledge and insights into international affairs and his international sense, enable him to offer advice on the general management of the Company, and we therefore request that he be elected to continue serving as External Director.			
[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. Accordingly, the Company has registered him with the Tokyo Stock Exchange as Independent Director. If he is reelected as Director, the Company will continue his registration as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.			
[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the reelection of the candidate is approved at this general meeting of shareholders, the Company intends to roll over this limitation of liability contract.			
[Other matters of note in relation to this candidate for External Director] No special interests exist between the candidate and the Company.			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
12	Makoto Horiguchi (December 5, 1955) [New election] [External] [Independent]	<p>Apr. 1979 Joined Iwatani Corporation</p> <p>Jun. 2012 Executive Officer, Iwatani Corporation</p> <p>Apr. 2015 Managing Officer, Iwatani Corporation</p> <p>Apr. 2016 Deputy General Manager (East), Industrial Gases &amp; Machinery Business Group, Iwatani Corporation</p> <p>Jun. 2016 Member of the Board, Executive Officer, General Manager, Industrial Gases &amp; Machinery Business Group, Iwatani Corporation</p> <p>Apr. 2017 Executive Director, Iwatani Corporation</p> <p>Jul. 2018 General Manager, Customer Relations and Services Division, Iwatani Corporation (current position)</p> <p>Apr. 2019 Member of the Board, Senior Managing Officer, Industrial Gases Division; Hydrogen Division; Machinery Division, Iwatani Corporation (current position)</p> <p>Apr. 2020 Member of the Board, Vice President (current position) Responsible for sales (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Doral Pty Ltd. Member of the Board, Iwatani (China) Limited</p>	0 shares
	[Reasons for nomination as candidate for External Director and expected roles] Makoto Horiguchi currently supervises the Sales Division of Iwatani Corporation as Member of the Board, Vice President of Iwatani Corporation, and has been involved in the management of its overseas operating companies. He possesses abundant experience in management and corporate governance, broad insights, global knowledge and excellent personality. The Company expects that he will offer appropriate supervision and advice on the general management of the Company and contribute to the enhancement of the corporate value of the Company, and we therefore request that he be elected to serve as External Director.		
	[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. If he is elected at this general meeting of shareholders, the Company plans to register him with the Tokyo Stock Exchange as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.		
	[Limitation of liability contract] In the event that the election of the candidate is approved at this general meeting of shareholders, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company intends to conclude with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act.		
	[Other matters of note in relation to this candidate for External Director] No special interests exist between the candidate and the Company.		

**Proposal 4** Election of Five (5) Directors Who Are Audit and Supervisory Committee Members

Subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. In that regard, the Company proposes the election of five (5) Directors who are Audit and Supervisory Committee Members (hereinafter “Audit and Supervisory Committee Members”; the same shall apply hereinafter in this proposal).

This Proposal shall take effect on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed and the amendments to the Articles of Incorporation become effective by the resolution of the proposal.

In addition, this proposal has obtained the consent of the Audit & Supervisory Board.

Candidates for Audit and Supervisory Committee Members are as follows:

Candidate No.	Name	Current position and responsibilities within the Company	Reelection / New election
1	Yoshito Hayashi	Audit & Supervisory Board Member	New election
2	Akimasa Yajima	Audit & Supervisory Board Member	New election
3	Akio Okuyama	Audit & Supervisory Board Member	New election External Independent
4	Yoko Takemura	Audit & Supervisory Board Member	New election External Independent
5	Yoshiki Sato	Audit & Supervisory Board Member	New election External Independent

(Note) The Company has concluded a directors and officers liability insurance contract which indemnifies the insured persons against damage compensation, legal costs, etc. arising from claims for damages caused by an act (including nonfeasance) based on the position of the insured persons as directors and officers of a company, and will renew this contract in August of this year. The candidates stated above will be insured after their appointment.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
1	Yoshito Hayashi (November 7, 1953) [New election]	Apr. 1976    Joined the Company Jun. 2008    General Manager, Foods Planning & Development Department Jun. 2012    Operating Officer, General Manager, Foods Planning & Development Department Jun. 2014    Audit & Supervisory Board Member (current position)	20,000 shares
	Attendance rate at the Board of Directors meetings 100% (19 out of 19)		
	Attendance rate at the Audit & Supervisory Board meetings 100% (7 out of 7)		
	[Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Yoshito Hayashi's career background and practical experience include business execution, primarily in the sales departments as Operating Officer, and he possesses in-depth knowledge of the Company's operations. In addition, having served as representative director and corporate auditor at subsidiaries, he possesses a significant level of knowledge regarding company management and audit operations. With the expectation of leveraging his abundant experience and track record to strengthen the audit structure, the Company proposes that he be elected to serve as Director who is an Audit and Supervisory Committee Member.		
	[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected as Director who is an Audit and Supervisory Committee Member at this general meeting of shareholders, the Company intends to conclude a limitation of liability contract described hereto with the candidate.		
[Other matters of note in relation to this candidate for Director who is an Audit and Supervisory Committee Member] No special interests exist between the candidate and the Company.			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
2	Akimasa Yajima (January 1, 1953) [New election]	Apr. 1987 Joined the Company Jun. 2006 General Manager, Electronic Materials Development Laboratory Jun. 2009 Operating Officer, General Manager, Electronic Materials Development Laboratory Sep. 2009 Operating Officer, General Manager, R&D Planning Department Jun. 2011 President & Chief Executive Officer, TOKYO ENVIRONMENTAL MEASUREMENT CENTER CO., LTD. Jun. 2013 Director and Operating Officer, General Manager, R&D Planning Department Dec. 2013 Director and Operating Officer, General Manager, Research & Development Division Jun. 2018 Audit & Supervisory Board Member (current position)	28,000 shares
	Attendance rate at the Board of Directors meetings 100% (19 out of 19)		
	Attendance rate at the Audit & Supervisory Board meetings 100% (7 out of 7)		
	[Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Akimasa Yajima's career background and practical experience include business execution, primarily in the Research & Development Division, and he possesses in-depth knowledge of the Company's operations. In addition, as the representative director of a subsidiary, he is involved in management, and since June 2013, has been involved in the management of the Company as a Director, and has thus accumulated abundant experience and wide-ranging insights across the whole of management. With the expectation of leveraging his abundant experience and track record to strengthen the audit structure, the Company proposes that he be elected to serve as Director who is an Audit and Supervisory Committee Member.		
	[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected as Director who is an Audit and Supervisory Committee Member at this general meeting of shareholders, the Company intends to conclude a limitation of liability contract described hereto with the candidate.		
	[Other matters of note in relation to this candidate for Director who is an Audit and Supervisory Committee Member] No special interests exist between the candidate and the Company.		

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
3	Akio Okuyama (October 10, 1944) [New election] [External] [Independent]  Attendance rate at the Board of Directors meetings 100% (19 out of 19)  Attendance rate at the Audit & Supervisory Board meetings 100% (7 out of 7)	<p>Dec. 1968 Joined CHUO AUDIT CORPORATION</p> <p>Mar. 1971 Registered as certified public accountant</p> <p>Mar. 1983 Partner, CHUO AUDIT CORPORATION (later MISUZU AUDIT CORPORATION)</p> <p>Jul. 2001 Chairperson, JAPANESE INSTITUTE of CERTIFIED PUBLIC ACCOUNTANTS</p> <p>May 2005 Chairperson, CHUO AOYAMA AUDIT CORPORATION (later MISUZU AUDIT CORPORATION)</p> <p>Apr. 2006 Visiting Professor, Graduate School of Accountancy, WASEDA UNIVERSITY</p> <p>Feb. 2007 Chairperson, OKUYAMA ACCOUNTING FIRM (current position)</p> <p>Jun. 2009 External Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>Jun. 2010 Outside Corporate Auditor, NIPPON FLOUR MILLS CO., LTD. (present NIPPON CORPORATION)</p> <p>Jun. 2014 Corporate Auditor, SHINKIN CENTRAL BANK (current position)</p> <p>Jun. 2020 Outside Director who is an Audit and Supervisory Committee Member, NIPPON FLOUR MILLS CO., LTD. (present NIPPON CORPORATION) (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Outside Director who is an Audit and Supervisory Committee Member, NIPPON CORPORATION</p> <p>Corporate Auditor, SHINKIN CENTRAL BANK</p>	0 shares
[Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and expected roles]			
Akio Okuyama possesses in-depth knowledge of corporate finance and legal affairs as a certified public accountant and has a wealth of insights in the overall corporate management. Therefore, we believe that he is able to audit the execution of duties by Directors in an objective and fair manner. He has had no direct experience of involvement in company management in the past except through his role as an external auditor, but the Company expects that he will continue to exercise an auditing function on the Company's overall management for the reasons stated above, and we therefore request that he be elected to serve as External Director who is an Audit and Supervisory Committee Member.			
[Matters related to independence]			
The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. If he is elected as Director, the Company plans to register him with the Tokyo Stock Exchange as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.			
[Limitation of liability contract]			
Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected as External Director who is an Audit and Supervisory Committee Member at this general meeting of shareholders, the Company intends to conclude a limitation of liability contract described hereto with the candidate.			
[Other matters of note in relation to this candidate for External Director who is an Audit and Supervisory Committee Member]			
No special interests exist between the candidate and the Company.			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
4	Yoko Takemura (April 7, 1952) [New election] [External] [Independent]	Apr. 1990 Registered as attorney (Tokyo Bar Association) Joined MIYAKE IMAI IKEDA LAW OFFICE	8,200 shares
	Attendance rate at the Board of Directors meetings 95% (18 out of 19)	Jan. 1997 Partner of MIYAKE IMAI IKEDA LAW OFFICE (current position)	
	Attendance rate at the Audit & Supervisory Board meetings 100% (7 out of 7)	Jun. 2004 External Audit & Supervisory Board Member, SEIYO FOOD SYSTEMS INC. (present Compass Group Japan Inc.)	
		Jun. 2005 Outside Auditor, WACOAL CORP. (present WACOAL HOLDINGS CORP.)	
		Jun. 2011 External Audit & Supervisory Board Member of the Company (current position)	
	[Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and expected roles] Yoko Takemura is intimately familiar with corporate legal affairs, having been an attorney for many years. She has had no direct experience of involvement in company management in the past except through her role as an external auditor, but the Company expects that she will leverage her abundant experience and insights to conduct audit work objectively from a specialized legal standpoint, and we therefore request that she be elected to serve as External Director who is an Audit and Supervisory Committee Member.		
	[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. If she is elected as Director, the Company plans to register her with the Tokyo Stock Exchange as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.		
	[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected as External Director who is an Audit and Supervisory Committee Member at this general meeting of shareholders, the Company intends to conclude a limitation of liability contract described hereto with the candidate.		
	[Other matters of note in relation to this candidate for External Director who is an Audit and Supervisory Committee Member] No special interests exist between the candidate and the Company.		

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of the Company's shares owned
	Yoshiki Sato (December 5, 1949) [New election] [External] [Independent]  Attendance rate at the Board of Directors meetings 95% (18 out of 19)  Attendance rate at the Audit & Supervisory Board meetings 100% (7 out of 7)	Apr. 1972 Joined Asahi Mutual Life Insurance Company Jul. 2004 Director and Managing Executive Officer, General Manager of Sales and Planning Department, Asahi Mutual Life Insurance Company Jul. 2008 President and Representative Director, Asahi Mutual Life Insurance Company Jun. 2011 Outside Audit & Supervisory Board Member, The Yokohama Rubber Co., Ltd. Jun. 2012 External Audit & Supervisory Board Member of the Company (current position) Jun. 2012 Outside Auditor, FUJI ELECTRIC CO., LTD. Jun. 2015 Outside Director, FUJI KYUKO CO., LTD. (current position) Apr. 2019 Chairman of the Board, Asahi Mutual Life Insurance Company (current position) Jun. 2019 President, National Federation of UNESCO Association in Japan (current position) Oct. 2019 Deputy Director, Regional Culture Award Tax Accountant's Fund (current position) Jun. 2020 Outside Auditor, Nippon Light Metal Holdings Company, Ltd. (current position)  (Significant concurrent positions outside the Company) Chairman of the Board, Asahi Mutual Life Insurance Company Outside Director, FUJI KYUKO CO., LTD. President, National Federation of UNESCO Association in Japan Deputy Director, Regional Culture Award Tax Accountant's Fund Outside Auditor, Nippon Light Metal Holdings Company, Ltd.	0 shares
5		[Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and expected roles] Yoshiki Sato has been involved in corporate management for many years and has a wealth of knowledge and experience cultivated as a manager. Therefore, we believe that he is able to audit the execution of duties by Directors in an objective and fair manner. We expect that he will continue to exercise an auditing function on the Company's overall management, and we therefore request that he be elected to serve as External Director who is an Audit and Supervisory Committee Member.	
		[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. If he is elected as Director, the Company plans to register him with the Tokyo Stock Exchange as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.	
		[Limitation of liability contract] Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the same act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected as External Director who is an Audit and Supervisory Committee Member at this general meeting of shareholders, the Company intends to conclude a limitation of liability contract described hereto with the candidate.	
		[Other matters of note in relation to this candidate for External Director who is an Audit and Supervisory Committee Member] Yoshiki Sato has served as Outside Auditor of Nippon Light Metal Holdings Company, Ltd. since June 2020. In May 2021, during his tenure, the JIS certificate of the Nagoya Plant of Nippon Light Metal Company, Ltd., which is a consolidated subsidiary of Nippon Light Metal Holdings Company, Ltd., was revoked due to inappropriate activities; for example, some aluminum plate products were shipped with the JIS mark even though those products were tested using a method inconsistent with JIS regulations. Although he had been unaware of this case until it was discovered, he regularly made statements from a compliance-oriented perspective at the Board of Directors meetings of the Nippon Light Metal Holdings Company, Ltd. and other occasions. After the case was revealed, he has properly performed his duties such as investigating the fact, finding the cause, and making suggestions about recurrence prevention measures.	

**Proposal 5** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

Subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with an audit and supervisory committee. In that regard, the Company proposes the election of one (1) Substitute Director who is an Audit and Supervisory Committee Member (hereinafter “Substitute Audit and Supervisory Committee Member”; the same shall apply hereinafter in this proposal) in case the number of Directors who are Audit and Supervisory Committee Members (hereinafter “Audit and Supervisory Committee Members”; the same shall apply hereinafter in this proposal) falls short of that required by laws and regulations.

This Proposal shall take effect on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed and the amendments to the Articles of Incorporation become effective by the resolution of the proposal.

This proposal has obtained the consent of the Audit & Supervisory Board.

In addition, the validity of this election can be nullified by the resolution of the Board of Directors if the consent of the Audit & Supervisory Committee has been obtained, provided that the candidate has not yet assumed office as Audit and Supervisory Committee Member.

The candidate for Substitute Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions	Number of the Company's shares owned
Keiji Yumiba (March 28, 1968) [External] [Independent]	Oct. 1992 Joined CHUO SHINKO AUDIT CORPORATION (later MISUZU AUDIT CORPORATION) Apr. 1996 Registered as certified public accountant Jul. 2004 Partner, CHUO AOYAMA AUDIT CORPORATION (later MISUZU AUDIT CORPORATION) Sep. 2006 General Manager, Learning & Education Division (L&D Division), MISUZU AUDIT CORPORATION Aug. 2007 Partner and Deputy General Manager, Human Resources Development Division, Tohmatsu & Co (present Deloitte Touche Tohmatsu LLC) Aug. 2011 Senior Managing Director, Tohmatsu e-Learning Solutions Co., Ltd. Dec. 2014 President and Representative Director, Tohmatsu e-Learning Solutions Co., Ltd. Aug. 2017 President and Representative Director, Sankei Buz Consulting, Corp. (current position) Sep. 2017 Representative Director, International Computer Auditing Education Association (current position) Feb. 2018 Part-time Audit & Supervisory Board Member, Digital Knowledge Co., Ltd. (current position) Nov. 2020 Part-time Lecturer, Aoyama Gakuin University Graduate School of Professional Accountancy (current position) (Significant concurrent positions outside the Company) President and Representative Director, Sankei Buz Consulting, Corp. Representative Director, International Computer Auditing Education Association	0 shares
[Reasons for nomination as candidate for Substitute External Director who is an Audit and Supervisory Committee Member and expected roles]		
Keiji Yumiba possesses specialized knowledge and experience in finance and accounting cultivated as a certified public accountant, as well as broad experience and abundant insights gained as a corporate manager. The Company expects that he will leverage his experience and knowledge to contribute to ensuring the soundness and appropriateness, and improving transparency of the management of the Company, and we therefore request that he be elected as Substitute External Director who is an Audit and Supervisory Committee Member.		
[Matters related to independence] The candidate satisfies the requirements of the Tokyo Stock Exchange for the independence of directors, and also meets the criteria prescribed by the Company for assessing the independence of external directors. If he assumes office as External Director who is an Audit and Supervisory Committee Member, the Company plans to register him with the Tokyo Stock Exchange as Independent Director. Moreover, the criteria prescribed by the Company for assessing the independence of external directors can be found on page 28.		
[Limitation of liability contract] If the candidate assumes office as External Director who is an Audit and Supervisory Committee Member, the Company intends to conclude with the candidate a contract with the effect of limiting the liability as stipulated in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to such contract is the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act.		
[Directors and Officers Liability Insurance Contract] The Company has concluded a directors and officers liability insurance contract which indemnifies the insured persons against damage compensation, legal costs, etc. arising from claims for damages caused by an act (including nonfeasance) based on the position of the insured persons as directors and officers of a company. If the candidate assumes office as External Director who is an Audit and Supervisory Committee Member, he will be included in the insured of this insurance contract.		
[Other matters of note in relation to this candidate for Substitute External Director who is an Audit and Supervisory Committee Member] No special interests exist between the candidate and the Company.		

<Reference> Criteria for assessing the independence of external directors

The Board of Directors of the Company shall nominate candidates for external directors (independent external directors), for whom there is no risk of conflict of interest with general shareholders, based on the existence or otherwise of personal relationships, capital relationships or transactional relationships with the Company, and the scale of the same relationships.

In cases where the requirements prescribed below are deemed satisfied, the candidate shall be considered to be sufficiently independent.

1. The candidate shall not be an executive officer of the Group, nor shall they have come from such a background.  
In addition, close family members (Note 1) of the candidate shall not have been executive officers of the Group within the past five (5) years.
2. The candidate shall not, either now or for the past five (5) years, correspond to one of the following categories.
  - (1) An executive officer of a major shareholder (Note 2) of the Company
  - (2) An executive officer of a major customer (Note 3), or an executive officer of a company for which the Company constitutes a major customer
  - (3) An executive officer of a major creditor of the Group (Note 4)
  - (4) A person affiliated with an auditing firm that performs statutory audits of the Company
  - (5) A person receiving large (Note 5) sums of money, other than director's remuneration, from the Company
  - (6) An executive officer from a company where directors of the Company have taken on roles, and vice versa
  - (7) A person executing the business of an organization receiving large amounts of donations or subsidies (Note 6) from the Company
3. Close family members of the candidate shall not correspond currently to 2(1) or 2(7).

Notes:

1. Close family members shall mean a spouse of the candidate, or relations in the second degree, or family living with the candidate.
2. Major shareholders shall mean entities with 10% or more of the voting rights at the end of the fiscal year.
3. Major customers shall mean a customer of the Company for which the annual value of transactions has accounted to more than 2% of the consolidated total revenue of the Company during the previous three fiscal years, or of the consolidated total revenue of the other party.
4. Major creditors shall mean financial institutions from which the Group has borrowed money, and for which the total outstanding loan balance at the end of the fiscal year exceeds 2% of the consolidated total assets of the Company, or of the financial institution in question.
5. Large sums of money shall mean cases in which payments received by individuals from the Company average more than ¥10 million annually over the past three fiscal years, or in cases where the consideration paid by the Company to the organization to which they belong exceeds 2% of the average revenues, or total income, of the organization over the past three fiscal years.
6. Organizations in receipt of large amounts of donations or subsidies shall mean an organization that receives more than ¥10 million annually from the Company in donations or subsidies.

Moreover, when external directors are elected, in addition to their independence from the Company, candidates shall be required to be of good character and discernment, and possess a high level of specialized knowledge of, or practical experience in, management, law or accounting etc.

**Proposal 6** Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the 146th Ordinary General Meeting of Shareholders held on June 23, 2008, a resolution was adopted to set the amount of remuneration, etc. (excluding the amount of restricted stock remuneration, etc. in Proposal 8) for Directors of the Company to no more than 336 million yen per year (including an amount not exceeding 30 million yen per year for External Directors; however, this amount does not include employee salaries for Directors concurrently serving as employees), and this resolution has been in force to date. If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with an audit and supervisory committee. Accordingly, pursuant to the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to abolish the current limit of remuneration, etc. for Directors mentioned above and set the amount of remuneration, etc. (excluding the amount of restricted stock remuneration, etc. in Proposal 8) for Directors (excluding Directors who are Audit and Supervisory Committee Members) to no more than 480 million yen per year (including an amount not exceeding 60 million yen per year for External Directors and employee salaries for Directors concurrently serving as employees), based on economic conditions and other circumstances. Subject to approval of Proposal 2 “Partial Amendments to the Articles of Incorporation,” this proposal, and Proposal 8 “Determination of Matters Related to Restricted Stock Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and External Directors),” pursuant to the provisions of Article 361, Paragraph 7 of the Companies Act, the Company established a policy regarding the determination of details of individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members), in accordance with a resolution passed at a meeting of the Board of Directors held on May 21, 2021, as described below. The content of this proposal is in line with the policy and was determined based on advice obtained from the Nomination and Remuneration Committee (two members, which is a majority of the three members, are independent external directors), which was voluntarily established by the Company. As such, the Company believes the content is reasonable.

There are currently 11 Directors. When Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 3 “Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved as proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) who become eligible for the remuneration, etc. by the resolution based on this proposal will be 12 (including three External Directors).

The resolution of this proposal shall become effective on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, and that the amendments of the Articles of Incorporation becomes effective by the resolution of the same proposal.

**Proposal 7**                      Determination of the Amount of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members

The Company will transition to a company with an audit and supervisory committee subject to approval of Proposal 2 “Partial Amendments to the Articles of Incorporation.” Accordingly, pursuant to the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to set the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members to no more than 100 million yen per year, based on economic conditions and other circumstances. The content of this proposal was determined based on advice obtained from the Nomination and Remuneration Committee (two members, which is a majority of the three members, are independent external directors), which was voluntarily established by the Company. As such, the Company believes the content is reasonable.

When Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 4 “Election of Five (5) Directors Who Are Audit and Supervisory Committee Members” are approved as proposed, the number of Directors who are Audit and Supervisory Committee Members becoming eligible for the remuneration, etc. by the resolution based on this proposal will be five.

The resolution of this proposal shall become effective on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, and that the amendments of the Articles of Incorporation becomes effective by the resolution of the same proposal.

**Proposal 8** Determination of Matters Related to Restricted Stock Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and External Directors)

At the 155th Ordinary General Meeting of Shareholders held on June 23, 2017, a resolution was adopted to set the amount of restricted stock remuneration, etc. for Directors (excluding External Directors) of the Company to no more than 150 million yen per year, separately from the amount of remuneration, etc. for Directors (no more than 336 million yen per year (including an amount not exceeding 30 million yen per year for External Directors; however, this amount does not include employee salaries for Directors concurrently serving as employees), and this resolution has been in force to date. If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved, the Company will transition to a company with an audit and supervisory committee.

Accordingly, pursuant to the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to set the total amount of monetary remuneration to be paid to Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors; hereinafter, “Eligible Directors”; the same shall apply hereinafter) who will be in office after the transition to a company with an audit and supervisory committee, for granting restricted stock, to no more than 150 million yen per year. Same as with the current amount of restricted stock remuneration, etc. for Directors, the amount is provided separately from the remuneration limit (no more than 480 million yen per year (including an amount not exceeding 60 million yen per year for External Directors and employee salaries for Directors concurrently serving as employees) for Directors (excluding Directors who are Audit and Supervisory Committee Members), for which the Company is seeking approval in Proposal 6 “Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members).” This proposal is purely procedural in connection with the transition to a company with an audit and supervisory committee, and in line with the policy (described below) regarding the determination of details of individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members), which was established pursuant to the provisions of Article 361, Paragraphs 7 of the Companies Act, in accordance with a resolution passed at a meeting of the Board of Directors held on May 21, 2021, subject to approval of Proposal 2 “Partial Amendments to the Articles of Incorporation,” Proposal 6 “Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” and this proposal. Furthermore, this proposal was determined based on advice obtained from the Nomination and Remuneration Committee (two members, which is a majority of the three members, are independent external directors), which was voluntarily established by the Company. As such, the Company believes the content of this proposal is reasonable.

When Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 3 “Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved as proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors) who become eligible for the remuneration, etc. by the resolution based on this proposal will be nine.

The resolution of this proposal shall become effective on the condition that Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as proposed, and that the amendments of the Articles of Incorporation becomes effective by the resolution of the same proposal.

Eligible Directors shall pay all monetary remuneration claims incurred based on a resolution pursuant to this proposal and a resolution of the Board of Directors as property contributed in kind, and shall receive common stock of the Company through issuance or disposal, pursuant to a resolution of the Board of Directors of the Company, and the total number of shares of common stock of the Company to be issued or disposed of in this way shall not exceed 100,000 shares per year (however, if, on or after the date this proposal is resolved, a stock split (including a gratis allotment of common stock of the Company) or reverse stock split is conducted in regard to the Company’s common stock, or if other circumstances similar to these arise that necessitate an adjustment to the total number to be allotted, the Company may reasonably adjust the total number of shares of restricted stock). The amount to be paid per share shall be the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day before the date of each resolution by the Board of Directors (if there is no trading on that day, the closing price on the most recent preceding trading day). Furthermore, when issuing or disposing of common stock of the Company in this way, the Company shall enter into a restricted stock allotment agreement (hereinafter, the “Allotment Agreement”) containing the following outline and content with Eligible Directors.

- (1) **Transfer restriction period**  
Eligible Directors shall not transfer, pledge as collateral, or otherwise dispose of (hereinafter, the “Transfer Restrictions”) common stock of the Company allotted under the Allotment Agreement (hereinafter, the “Allotted Shares”), for a period determined by the Board of Directors of the Company (a period of three years or more; hereinafter, the “Transfer Restriction Period”).
- (2) **Treatment upon retirement or other circumstances**  
If an Eligible Director retires from all positions of Director or Operating Officer at the Company prior to the end of the Transfer Restriction Period, or if other circumstances arise that are stipulated in the Allotment Agreement, the Company shall automatically acquire the Allotted Shares without consideration, unless there is a reason that the Board of Directors of the Company considers justifiable.
- (3) **Removal of the Transfer Restrictions**  
Regardless of the provisions of (1) above, the Company shall remove the Transfer Restrictions on all Allotted Shares when the Transfer Restriction Period ends, provided that the Eligible Director served continuously as Director or Operating Officer at the Company during the Transfer Restriction Period. However, if the Eligible Director retires from his or her position as defined in (2) above before the end of the Transfer Restriction Period owing to a reason that the Board of Directors of the Company considers justifiable, as defined in (2) above, or if other circumstances arise that are stipulated in the Allotment Agreement, the Company shall reasonably adjust the number of Allotted Shares to remove the Transfer Restrictions and the timing of the removal of the Transfer Restrictions, as necessary.
- (4) **Outline of circumstances for an acquisition without consideration**
  - (i) The Company shall automatically acquire without consideration the Allotted Shares whose Transfer Restrictions have not been removed, in accordance with the provision of (3) above at the end of the Transfer Restriction Period.
  - (ii) If the Eligible Director is sentenced to imprisonment or a more severe punishment during the Transfer Restriction Period, the Eligible Director files a petition to start procedures such as bankruptcy, or the Eligible Director retires from all positions of Director or Operating Officer at the Company (except in certain cases), the Company shall automatically acquire the Allotted Shares without consideration when the Eligible Director falls under any of these cases.
  - (iii) In addition to the above, the Company shall set forth circumstances that cause an acquisition without consideration, such as when the Board of Directors of the Company concludes that the Eligible Director has acted in competition with the Company, or when the Board of Directors of the Company concludes that the Eligible Director has violated laws and regulations or internal rules of the Company in a material aspect.
- (5) **Treatment in organizational restructuring, etc.**  
Regardless of the provisions of (1) above, if, during the Transfer Restriction Period, a merger agreement where the Company will be the disappearing company, share exchange agreement or share transfer plan where the Company will become a wholly owned subsidiary, or other item related to organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (however, this shall be the Board of Directors of the Company if the organizational restructuring, etc. does not require approval by the general meeting of shareholders of the Company), the Company shall, by resolution of the Board of Directors of the Company, remove the Transfer Restrictions ahead of the effective date of the organizational restructuring, etc. on a reasonably determined number of Allotted Shares, taking into consideration the period from the start date of the Transfer Restriction Period to the approval date of the organizational restructuring, etc. In addition, in such cases, the Company shall automatically acquire without consideration any Allotted Shares whose Transfer Restrictions have not been removed, immediately after the removal of the Transfer Restrictions.
- (6) **Other matters to be set forth by the Board of Directors**  
In addition to the above, the Allotment Agreement shall include the method of declaration of intent and notification for the Allotment Agreement, the method of revising the Allotment Agreement, and other matters to be set forth by the Board of Directors.

<Reference> Policy of determining the details of individual remuneration, etc. for Directors after the transition to a company with an audit and supervisory committee

1. Basic policy

The remuneration of the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter) shall be arranged to duly function as a motivation for proper and sound performance so that it enables transparent, fair, prompt and bold decision-making that leads to an increase in corporate value and, by extension, the common interests of shareholders.

Specifically, remuneration for Directors shall consist of basic remuneration as fixed compensation, director bonuses as performance-linked remuneration, etc. and stock remuneration. External Directors who have the oversight function shall only be paid basic remuneration in view of their duties.

2. Policy of determining the amount of individual remuneration, etc. for basic remuneration (monetary remuneration)

Basic remuneration for the Company's Directors shall be fixed monthly compensation, and the payment amount shall be determined according to the rank and number of years in office.

3. Policy of determining the details of performance-linked remuneration, etc. and non-monetary remuneration, etc. as well as the calculation method of the amount or number thereof

In terms of performance-linked remuneration, etc., director bonuses shall be paid annually at a certain time. Their amounts shall be calculated by comprehensively considering the financial value, the assessment of which is based on business performance (consolidated net sales, consolidated operating profit, and consolidated profit) for each fiscal year, the social value, the assessment of which is based on contribution to environmental issues for each fiscal year, and various other circumstances.

Non-monetary remuneration, etc. shall be restricted stock to have a remuneration structure aimed at the sustainable improvement of the Company's medium- to long-term corporate value and, by extension, shareholder value. Restricted stock shall be granted by the resolution of the Board of Directors adopted by the day on which one month has passed since the start date of the execution of duties of the Eligible Director, and the number of shares of restricted stock to be granted shall be determined according to rank. In addition, the transfer restriction period shall be three years or more from the payment date, and in principle, transfer restrictions shall be lifted on the condition that the Eligible Director has continuously served as Director during that period.

4. Policy of determining the proportions of the monetary remuneration amount, the amount of performance-linked remuneration, etc., and the amount of non-monetary remuneration, etc. to the amount of individual remuneration, etc. for Directors

The proportions of each type of remuneration for executive Directors shall be structured so that higher ranked Directors will receive a higher weight of director bonuses, which are performance-linked remuneration.

A general guideline for the percentage of each type of remuneration, etc. is as follows (when performance indicators are achieved 100%).

Rank	Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.
Chairman and Chief Executive Officer President and Chief Operating Officer	55%	22%	23%
Director and Senior Managing Operating Officer	59%	20%	21%
Director and Managing Operating Officer	61%	17%	22%
Director and Operating Officer	61%	15%	24%

(Note: Performance-linked remuneration, etc. consists of director bonuses, and non-monetary remuneration, etc. consists of restricted stock.)

5. Matters concerning the determination of individual remuneration, etc. for Directors

In terms of the basic remuneration component of individual remuneration, etc., the President and Chief Operating Officer shall be given delegation by the Board of Directors to determine specific details within the maximum amount resolved at a general meeting of shareholders. The President and Chief Operating Officer shall consult with the Nomination and Remuneration Committee regarding remuneration plans drafted based on the remuneration standards set according to the rank and number of years in office of Directors, and determine the individual remuneration amount of each Director in consideration of the committee's opinions and advice.

As for the director bonus component of individual remuneration, etc., the President and Chief Operating Officer shall be given delegation by the Board of Directors to determine specific details within the maximum amount resolved at a general meeting of shareholders. The President and Chief Operating Officer shall draft a remuneration plan by comprehensively considering business performance of each fiscal year, contribution to environmental issues, and other various circumstances, and consult with the Nomination and Remuneration Committee before the Board of Directors makes a decision in consideration of opinions and advice of the Nomination and Remuneration Committee.

The President and Chief Operating Officer shall consult with the Nomination and Remuneration Committee regarding the stock remuneration component of individual remuneration, etc., within the maximum amount resolved at a general meeting of shareholders, based on the stock remuneration regulations established by the Board of Directors, and the Board of Directors shall determine the number of shares to be allotted to each Director.