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Securities Code: 4112

June 2, 2021

To our shareholders:

Yuto Matsumoto  
President  
**Hodogaya Chemical Co., Ltd.**  
2-4-1 Yaesu, Chuo-Ku, Tokyo

## Notice of the 163rd Annual General Meeting of Shareholders

We are pleased to announce the 163rd Annual General Meeting of Shareholders of Hodogaya Chemical Co., Ltd. (the “Company”), which will be held as indicated below.

Despite uncertainty regarding the end of the spread of the novel coronavirus disease (COVID-19), the Company has decided to hold this meeting, taking appropriate measures beforehand to avoid infection.

We encourage shareholders to exercise your voting rights prior to the meeting in writing or by Smart Vote or the internet. Regardless of your own state of health, you are urged to refrain from attending the meeting.

Please read the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Wednesday, June 23, 2021 (JST).

**1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (Reception starts at 9:00 a.m.)

**2. Venue:** Main hall, 2nd floor, The Industry Club of Japan  
1-4-6 Marunouchi, Chiyoda-Ku, Tokyo

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 163rd fiscal year (from April 1, 2020 to March 31, 2021), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
2. The Non-consolidated Financial Statements for the 163rd fiscal year (from April 1, 2020 to March 31, 2021)

#### Matters to be resolved:

- |                |   |
|----------------|---|
| Proposal No. 1 | Amendments to the Articles of Incorporation   |
| Proposal No. 2 | Election of Three Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 3 | Election of Four Directors Who Are Audit & Supervisory Committee Members                        |
| Proposal No. 4 | Election of Two Substitute Directors Who Are Audit & Supervisory Committee Members              |

- If you attend the meeting in person, please submit the enclosed voting form at the reception of the meeting. In addition, you are kindly requested to bring this notice to the meeting.

## **Guide to the Exercise of Voting Rights**

### **Attending the meeting in person**

Please bring the enclosed voting form and submit it to the reception desk on the day of the meeting.

Date and Time: Thursday, June 24, 2021, at 10:00 a.m. (JST)

Venue: Main hall, 2nd floor, The Industry Club of Japan

### **Exercise of voting rights by mail (in writing)**

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company. If you submit this without indicating your approval or disapproval for each proposal, it will be considered that you indicated your approval.

\* Please use the enclosed "Voting form writing protection sticker."

Deadline for Exercising Voting Rights: Received by 5:45 p.m. on Wednesday, June 23, 2021 (JST).

### **Exercise of voting rights by Smart Vote or the internet**

Please access the website (<https://soukai.mizuho-tb.co.jp/>) via a smartphone or computer, and enter your vote of approval or disapproval of each proposal by using the login ID and temporary password shown on the enclosed voting form and following on-screen instructions. Please refer page 6. (Only available in Japanese version)

Deadline for Exercising Voting Rights: All data entry to be completed no later than 5:45 p.m. on Wednesday, June 23, 2021 (JST).

\* If you exercise your voting right in duplicate both by mail (in writing) and via the internet, etc., the Company will only deem your exercise via the internet, etc. valid.

\* If you exercise your voting rights via the internet, etc. more than once, the last exercise shall be deemed to be valid.

## Notice regarding measures to prevent the spread of the novel coronavirus disease (COVID-19)

### <Notice and request to our shareholders>

- To prevent the spread of the novel coronavirus disease (COVID-19), considering the health and safety of our shareholders as our highest priority, the Company recommends that you exercise your voting rights prior to the meeting in writing or by Smart Vote or the internet, and refrain from attending the meeting.

Please exercise your voting rights so that your vote is received by 5:45 p.m. on Wednesday, June 23, 2021 (JST)

Please refer page 6 of the Notice of the Annual General Meeting of Shareholders. (Only available in Japanese version)

- To reduce the risk of infection from contact, the Company will not hold a gathering for shareholders' discussion after this year's meeting and will not provide gifts to attendants. Thank you for your understanding.
- Shareholders who plan to attend the meeting in person should pay close attention to their physical conditions up to the date of the meeting. If you have any cold symptoms or are not feeling well, the Company strongly recommends that you refrain from attending the meeting.

### <Notice and request to our shareholders attending the meeting>

- On the day of the meeting, shareholders attending the meeting will be requested to undergo body temperature measurement tests at the entrance of the venue.

You may be requested to refrain from attending the meeting, if you have a fever or are in poor physical conditions.

- We kindly ask for your cooperation to wear a medical mask during the meeting and use alcohol disinfectant at the venue.
- At the meeting, considering the safety of our shareholders as our highest priority, the Company has limited the number of attendees to observe social distancing. Therefore, please be aware that even shareholders who come to the venue may not be allowed to enter once that limit is reached.

### <Our measures>

- Officers and staff members will wear a medical mask.
- Officers and staff members will participate the meeting, after undergoing body temperature measurement tests and confirming their body conditions at the day of the meeting.

If any circumstances necessitating amendments to the operation of the meeting, notification of those amendments are provided by posting them on the Company's website. <http://www.hodogaya.co.jp/english/>

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1 Amendments to the Articles of Incorporation

1. Reason for the proposal

The Company will relocate its head office as part of efforts to improve management efficiency and implement new workstyle reforms of the Group.

Accordingly, the Company wishes to change the location of the head office in Article 3 of the current Articles of Incorporation.

Moreover, this amendment is to come into effect on the date of the relocation of the head office, to be determined by a meeting of the Board of Directors to be held before the 164th Annual General Meeting of Shareholders scheduled to be held in 2022, and a provision to that effect shall be established in the supplementary provision. After the effective date of the relocation of the head office, this supplementary provision shall be deleted.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined portions indicate amended parts.)

Current Articles of Incorporation	Proposed Amendments
(Head Office) Article 3 The head office of the Company shall be established in <u>Chuo-ku</u> , Tokyo.  (Newly established)	(Head Office) Article 3 The head office of the Company shall be located in <u>Minato-ku</u> , Tokyo. Supplementary Provision <u>(Effective date of amendment to Article 3 of the Articles of Incorporation)</u> <u>Article 1</u> <u>The amendment to Article 3 of the Articles of Incorporation is to come into effect on the date of the relocation of the head office, to be determined by a meeting of the Board of Directors to be held before the 164th Annual General Meeting of Shareholders scheduled to be held in 2022. This article shall be deleted after the effective date of the relocation of the head office.</u>

**Proposal No. 2** Election of Three Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all three Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three Directors (excluding Directors who are Audit & Supervisory Committee Members).

Moreover, this proposal has been considered by the Audit & Supervisory Committee, but they have expressed no opinion.

Candidates for Director (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Yuto Matsumoto (November 19, 1960)	Apr. 1983	Joined the Company	7,500 shares
	Reelection	June 2004	Director and President of HODOGAYA CHEMICAL (U.S.A.), INC.	
2	Tenure as Director (At the conclusion of this meeting) 6 years	Apr. 2010	General Manager of Color & Imaging Materials Division of the Company	4,600 shares
	Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times	Apr. 2012	General Manager of Imaging Materials Division	
		Apr. 2013	General Manager of Business Promotion Division	
	Attendance at the Board of Directors Meetings during fiscal 2020 (For meetings after the Director took office) 13/13 times	Apr. 2014	Executive Officer and General Manager of Business Promotion Division	
		June 2015	Director and Managing Executive Officer	
		Nov. 2016	Representative Director, President and CEO (current position)	
		Apr. 2015	Executive Officer and General Manager of Research & Development Department	
	Reelection	Apr. 2009	General Manager of Research Planning Management Department	
Tenure as Director (At the conclusion of this meeting)* 1 year	Apr. 2010	Executive Officer and General Manager of Research & Development Department		
Attendance at the Board of Directors Meetings during fiscal 2020 (For meetings after the Director took office) 13/13 times	Apr. 2015	Executive Officer and Deputy Supervising Manager of Research & Development Department		
	June 2015	Director and Managing Executive Officer		
	Jan. 2018	Managing Executive Officer		
	Nov. 2019	Senior Managing Executive Officer		
Attendance at the Board of Directors Meetings during fiscal 2020 (For meetings after the Director took office) 13/13 times	June 2020	Director and Senior Managing Executive Officer (current position)		
	June 2020	Director and Senior Managing Executive Officer (current position)		
<p>Reasons for nomination as candidate for Director</p> <p>After joining the Company in April 1983, he worked in the Research &amp; Development Department, has engaged in operations of sales department including overseas business, and became Representative Director and President of the Company in November 2016. He has extensive experience and knowledge and has been appropriately fulfilling his duties. Therefore, the Company judges that he is qualified as Director of the Company.</p>				
<p>Reasons for nomination as candidate for Director</p> <p>Since joining the Company in April 1981, he has engaged in operations of the research &amp; development and production departments. Currently, he has extensive experience and knowledge for supervising the Research &amp; Development Department and Production Department of the Group, and has been appropriately fulfilling his duties. Therefore, the Company judges he is qualified as Director of the Company.</p> <p>* The period from June 2015 to December 2017 in which he served as Director is not included.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Eiichi Sunada (June 24, 1951)  Reelection  Tenure as Director (At the conclusion of this meeting) 6 years  Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times	June 2002 General Manager of Legal & Intellectual Property Department of the Company Apr. 2004 General Manager of Compliance Department June 2005 Executive Officer and General Manager of Compliance Department July 2006 Executive Officer and General Manager of Business Innovation Department June 2008 Executive Officer, General Manager of Internal Control Department and General Manager of IT Planning & Administration Department Apr. 2011 Managing Executive Officer and General Manager of Internal Control Department June 2014 Managing Executive Officer and General Manager of Legal Department June 2015 Director and Managing Executive Officer Jan. 2018 Director and Senior Managing Executive Officer (current position)	4,600 shares
		Reasons for nomination as candidate for Director Since joining the Company in June 2002, he has engaged in operations of Legal, Internal Control, Internal Auditors and IT Departments of the Group. He has extensive experience and knowledge for supervising the Corporate Planning, Legal, and Internal Auditors Departments, and has been appropriately fulfilling his duties. Therefore, the Company judges he is qualified as Director of the Company.	

\* There is no special interest between any of the candidates and the Company.

\* The responsibilities of each candidate at the end of the fiscal year are stated on page 36 and 37 of this notice. (Only available in Japanese version)

\* The Company has entered into an indemnification agreement as provided for in Article 430-2, paragraph (1) of the Companies Act with each of the candidates.

Under the indemnification agreement, the Company shall provide compensation for costs incurred under item (i) of the same paragraph, and losses incurred under item (ii) of the same paragraph, to the extent permitted by laws and regulations.

If each of the candidate is reelected, the Company plans to renew the aforementioned indemnification agreement with each of them.

\* The Company has entered into a directors and officers liability insurance policy (D&O insurance policy), under which all Directors are insureds, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance Company.

This insurance policy covers the damages payable and such costs as related litigation expenses incurred by the insured from claims for damages against the insured during the insurance period arising from acts (including nonfeasance) carried out by the insured in their capacity as an officer of the Company, and the premiums for the insured are fully borne by the Company.

If each candidate is reelected, the Company plans to include every such candidate as an insured in the aforementioned insurance policy.

The Company plans to renew the aforementioned insurance policy on December 1, 2021, which will be during every such candidate's term of office.

**Proposal No. 3** Election of Four Directors Who Are Audit & Supervisory Committee Members

The terms of office of all four Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of four Directors who are Audit & Supervisory Committee Members. In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

Candidates for Director who is an Audit & Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Satoshi Ebisui (September 25, 1949)</p> <p>Reelection</p> <p>Tenure as Director (At the conclusion of this meeting) 21 years</p> <p>Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times</p>	<p>Apr. 1973      Joined the Company</p> <p>June 1997      General Manager of Corporate Planning Department</p> <p>June 2000      Director and Assistant Deputy General Manager of Business Division</p> <p>June 2002      Managing Director, General Manager of Business Division, General Manager of Resin Materials Division and General Manager of Chemicals Division</p> <p>June 2008      Senior Managing Director</p> <p>June 2010      Director and Senior Managing Executive Officer</p> <p>June 2015      Director (Full-time Audit &amp; Supervisory Committee Member) (current position)</p>	8,300 shares
<p>Reasons for nomination as candidate for Director</p> <p>Since joining the Company in April 1973, he has widely engaged in operations of Planning &amp; Sales Department. Currently, he has extensive experience and knowledge as Director who is an Audit &amp; Supervisory Committee Member, and has been appropriately fulfilling his duties. Therefore, the Company judges he is qualified as Director who is an Audit &amp; Supervisory Committee Member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Shuji Kato (January 10, 1953)</p> <p style="text-align: center;">Reelection Candidate for outside Director Independent Officer</p> <p style="text-align: center;">Tenure as outside Director (At the conclusion of this meeting) 8 years</p> <p style="text-align: center;">Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times</p>	<p>Apr. 1975      Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>June 1995      Counsellor, Director-General's Secretariat of National Land Agency</p> <p>May 1997      Attached to Minister's Secretariat of Ministry of International Trade and Industry</p> <p>Dec. 1997      Senior Economist of International Economic Policy Study Group</p> <p>May 1999      Commissioner Special Visiting Researcher of Japan Industrial Location Center</p> <p>Dec. 2001      Joined BICCAMERA INC. Representative Director and President of Future Ecology Co., Ltd.</p> <p>Nov. 2003      Director of BICCAMERA INC.</p> <p>Feb. 2010      Director, CSRO and Manager of Internal Control Office</p> <p>June 2013      Outside Audit &amp; Supervisory Board Member of KOBAYASHI YOKO CO., LTD. (currently outside Director (Audit and Supervisory Committee Member)) Outside Director of the Company</p> <p>June 2015      Outside Director (Audit &amp; Supervisory Committee Member) (current position)</p>	1,600 shares
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>He has cultivated a wide range of business experience at government agencies, and also has extensive knowledge and experience as management. In June 2015, he assumed the office of Director who is an Audit &amp; Supervisory Committee Member. Since then, he has been appropriately fulfilling his duties. Therefore, the Company judges he is qualified as Director who is an Audit &amp; Supervisory Committee Member.</p> <p>The Company expects he will utilize his experience in trade and industry administration, international business, and corporate management, and fulfill his role of supervising Directors who have been charged with deciding the basic management direction of the Company and executing operations.</p> <p>Furthermore, the Company has submitted notification to Tokyo Stock Exchange that he has been appointed as an independent officer as provided for by the aforementioned exchange. If he is elected as Director who is an Audit &amp; Supervisory Committee Member, the Company plans for his appointment as an independent officer to continue.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3.	<p>Nobuhiro Yamamoto (February 22, 1956)</p> <p>Reelection Candidate for outside Director Independent Officer</p> <p>Tenure as outside Director (At the conclusion of this meeting) 6 years</p> <p>Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times</p>	<p>Apr. 1979      Joined The Norinchukin Bank</p> <p>June 2007      General Manager of Procedures &amp; Operations Planning Division</p> <p>June 2009      Director and General Manager of Panning Control Department of The Cooperative Servicing Co., Ltd.</p> <p>Oct. 2010      Director and General Manager of Business Operations Department</p> <p>June 2012      Managing Director</p> <p>June 2015      Outside Director (Audit &amp; Supervisory Committee Member) of the Company (current position)</p>	1,000 shares
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>Since assuming office of Director who is an Audit &amp; Supervisory Committee Member in June 2015, he has been utilizing his wide range of experience and knowledge accumulated over many years for the business activities of the Company. It is expected that he will continue to appropriately fulfill his duties. Therefore, the Company judges he is qualified as Director who is an Audit &amp; Supervisory Committee Member.</p> <p>The Company expects he will utilize his experience in risk management and his insight regarding finance and accounting and fulfill his role of supervising Directors who have been charged with deciding the basic management direction of the Company and executing operations.</p> <p>Furthermore, the Company has submitted notification to Tokyo Stock Exchange that he has been appointed as an independent officer as provided for by the aforementioned exchange. If he is elected as Director who is an Audit &amp; Supervisory Committee Member, the Company plans for his appointment as an independent officer to continue.</p> <p>He comes from a financial institution that is a major loan provider for the Company, but 12 years have passed since he retired from the said financial institution in May 2009. Therefore, the Company has determined that there are no concerns over his independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4.	Masaki Sakai (May 27, 1956)  Reelection Candidate for outside Director Independent Officer  Tenure as outside Director (At the conclusion of this meeting) 2 years  Attendance at the Board of Directors Meetings during fiscal 2020 16/16 times	Apr. 1981      Joined Ministry of Agriculture, Forestry and Fisheries (MAFF) July 2009      Deputy Director-General for Management Improvement Bureau and Policy Evaluation Aug. 2011      Director-General, International Affairs Department, Minister's Secretariat Apr. 2013      Director-General, Statistics Department, Minister's Secretariat Apr. 2014      Ambassador Extraordinary and Plenipotentiary to the Federated States of Micronesia and Republic of Marshall Islands Aug. 2016      Advisor for Sompo Japan Nipponkoa Insurance Inc. Dec. 2018      Retired from Sompo Japan Nipponkoa Insurance Inc. June 2019      Executive Director and Secretary General of Steady Supply of Fishery Products Promotion Foundation June 2019      Outside Director (Audit & Supervisory Committee Member) of the Company (current position)	200 shares
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>The Company expects he will utilize his extensive knowledge and experience, both that gained since his appointment as a Director who is an Audit &amp; Supervisory Committee Member in June 2019, and that cultivated both in Japan and overseas through his business activities over many years at government ministries, and that he will appropriately fulfill his duties for the Company. Therefore, the Company judges he is qualified as Director who is an Audit &amp; Supervisory Committee Member.</p> <p>The Company expects he will utilize his experience in agriculture, forestry and fishery administration and international business, and fulfill his role of supervising Directors who have been charged with deciding the basic management direction of the Company and executing operations.</p> <p>Furthermore, the Company has submitted notification to Tokyo Stock Exchange that he has been appointed as an independent officer as provided for by the aforementioned exchange. If he is elected as Director who is an Audit &amp; Supervisory Committee Member, the Company plans for his appointment as an independent officer to continue.</p>			

- \* There is no special interest between any of the candidates and the Company.
- \* The responsibilities of each candidate at the end of the fiscal year are stated on page 36 of this notice. (Only available in Japanese version)
- \* Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has concluded an agreement with each candidate to limit liability for damages stipulated in Article 423, paragraph (1) of the Act.  
The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.  
If the reelection of each candidate is approved, the Company plans to renew the aforementioned limited liability agreement with each of them.
- \* The Company has entered into an indemnification agreement as provided for in Article 430-2, paragraph (1) of the Companies Act with each of the candidates.  
Under the indemnification agreement, the Company shall provide compensation for costs incurred under item (i) of the same paragraph, and losses incurred under item (ii) of the same paragraph, to the extent permitted by laws and regulations.  
If each of the candidates is reelected, the Company plans to renew the aforementioned indemnification agreement with each of them.
- \* The Company has entered into a directors and officers liability insurance policy (D&O insurance policy), under which all Directors are insureds, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance Company.  
This insurance policy covers the damages payable and such costs as related litigation expenses incurred by the insured from claims for damages against the insured during the insurance period arising from acts (including nonfeasance) carried out by the insured in his/her capacity as an officer of the Company, and the premiums for the insured are fully borne by the Company.  
If each candidate is reelected, the Company plans to include every such candidate as an insured in the aforementioned insurance policy.  
The Company plans to renew the aforementioned insurance policy on December 1, 2021, which will be during every such candidate's term of office.
- \* Shuji Kato, Nobuhiro Yamamoto and Masaki Sakai are candidates for outside Director.

**Proposal No. 4** Election of Two Substitute Directors Who Are Audit & Supervisory Committee Members

The Company requests approval for the election of two substitute Directors who are Audit & Supervisory Committee Members to be ready to fill a vacant position should the number of Directors who are Audit & Supervisory Committee Members fall below the number required by the laws and regulations.

The Company proposes the election of Shinichi Matsuno as a substitute for Director who is an Audit & Supervisory Committee Member (excluding outside Director) and the election of Yuji Yamashita as a substitute for outside Director who is an Audit & Supervisory Committee Member.

In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

Candidates for substitute Director who is an Audit & Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Shinichi Matsuno (March 8, 1959)  Candidate for Director (Substitute)	Apr. 1981      Joined the Company June 2002      General Manager of Purchasing Department Apr. 2009      General Manager of Corporate Planning Department Apr. 2011      Executive Officer and General Manager of Corporate Planning Department Apr. 2012      Executive Officer and General Manager of Koriyama Plant Apr. 2015      Executive Officer and Deputy Supervising Manager of Production Department June 2015      Director and Managing Executive Officer Jan. 2018      Executive Officer Director and Chairman of Hodogaya Construction Products Co., Ltd. Apr. 2020      President of KATSURA SANGYO CO., LTD. (current position)	6,183 shares
Reasons for nomination as candidate for substitute Director He joined the Company in April 1981 and has a wide range of business experience and knowledge at the Company and Group companies. It is expected that he can take advantage of these for the business activities of the Company and appropriately fulfill his duties. Therefore, the Company judges he is qualified as substitute Director who is an Audit & Supervisory Committee Member.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Yuji Yamashita (July 15, 1956)  Candidate for outside Director (Substitute) Independent Officer	<p>Apr. 1979      Joined The Norinchukin Bank</p> <p>June 2005      Hiroshima Branch Manager</p> <p>Apr. 2007      General Manager of Head Office Business Service Division</p> <p>Apr. 2008      Audit &amp; Supervisory Board Member of NOCHU INFORMATION SYSTEM CO., LTD.</p> <p>June 2011      Managing Director, Management Committee of Coop building</p> <p>June 2011      Part-time Audit &amp; Supervisory Board Member of Co-op Chemical Co., Ltd.</p> <p>June 2015      Full-time Audit &amp; Supervisory Board Member of Rasa Industries, Ltd.</p> <p>June 2019      Retired from Rasa Industries, Ltd. (current position)</p>	0 shares
<p>Reasons for nomination as candidate for substitute outside Director and overview of expected roles</p> <p>He has a wide range of business experience and knowledge accumulated over many years at financial institutions and operating companies. It is expected that he can take advantage of these for the business activities of the Company and appropriately fulfill his duties. Therefore, the Company judges he is qualified as substitute Director who is an Audit &amp; Supervisory Committee Member.</p> <p>The Company expects he will utilize his business experience at a financial institution and his experience as an auditor in various industries, and fulfill his role of supervising Directors who have been charged with deciding the basic management direction of the Company and executing operations.</p> <p>He comes from a financial institution that is a major loan provider for the Company, but 13 years have passed since he resigned from the said financial institution in March 2008. Therefore, the Company has determined that there are no concerns over his independence.</p> <p>Furthermore, if he is appointed as substitute Director who is an Audit &amp; Supervisory Committee Member, the Company intends to register him as independent officer specified by Tokyo Stock Exchange.</p>			

- \* There is no special interest between any of the candidates and the Company.
- \* If Shinichi Matsuno and Yuji Yamashita are elected as Directors who are Audit & Supervisory Committee Members, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into limited liability agreement respectively to limit their liability for damages under Article 423, paragraph (1) of the Companies Act.  
The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
- \* If Shinichi Matsuno and Yuji Yamashita are elected as Directors who are Audit & Supervisory Committee Members, the Company plans to enter into an indemnification agreement as provided for in Article 430-2, paragraph (1) of the Companies Act with each of them.  
Under the indemnification agreement, the Company shall provide compensation for costs incurred under item (i) of the same paragraph, and losses incurred under item (ii) of the same paragraph, to the extent permitted by laws and regulations.
- \* The Company has entered into a directors and officers liability insurance policy (D&O insurance policy), under which all Directors are insureds, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance Company.  
This insurance policy covers the damages payable and such costs as related litigation expenses incurred by the insured from claims for damages against the insured during the insurance period arising from acts (including nonfeasance) carried out by the insured in their capacity as an officer of the Company that the insured is liable for, and the premiums for the insured are fully borne by the Company.  
If Shinichi Matsuno and Yuji Yamashita are elected as Directors who are Audit & Supervisory Committee Members, the Company plans to include them as insureds in the aforementioned insurance policy.