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Stock Exchange Code: 4997  
November 29, 2019

**To Shareholders with Voting Rights:**

Yosuke Tomoi  
Representative Director, President  
NIHON NOHYAKU CO., LTD.  
19-8, Kyobashi 1-Chome, Chuo-ku,  
Tokyo, Japan

**NOTICE OF  
THE 120TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 120th Ordinary General Meeting of Shareholders of NIHON NOHYAKU CO., LTD. (hereinafter referred to as the “Company”). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and, following the instruction hereinafter described, exercise your voting rights by 5:25 p.m. on Thursday, December 19, 2019, Japan time.**

- 1. Date and Time:** Friday, December 20, 2019 at 10:00 a.m. Japan time
- 2. Place:** Large Hall of Tokyo Convention Hall on the 5th floor of Tokyo Square Garden located at 1-1, Kyobashi 3-Chome, Chuo-ku, Tokyo, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 120th Fiscal Year (October 1, 2018 - September 30, 2019) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 120th Fiscal Year (October 1, 2018 - September 30, 2019)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendment to the Articles of Incorporation
    - Proposal 3:** Election of 11 Directors
    - Proposal 4:** Election of 2 Audit & Supervisory Board Members
    - Proposal 5:** Determination of Amount and Details of Performance-linked Stock-based Remuneration for Directors

#### 4. Instruction for Exercising Voting Rights:

<b>If you are able to attend the General Meeting of Shareholders</b>
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Please submit the enclosed Voting Rights Exercise Form at the reception desk.

<b>Date and Time of the Meeting</b>	Friday, December 20, 2019 at 10:00 a.m. Japan time
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<b>If you are unable to attend the General Meeting of Shareholders, please exercise your voting rights either via postal mail or the Internet.</b>
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##### Exercise of voting rights by postal mail

Please indicate your approval or disapproval of the proposals on the attached Voting Rights Exercise Form and return it by the deadline.

<b>Deadline of Exercise</b>	Thursday, December 19, 2019 at 5:25 p.m. Japan time
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##### Exercise of voting rights via the Internet

Please access the Company's designated voting rights exercise website (<https://www.web54.net>) and use the "voting rights exercise code" and "password" indicated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to enter your vote for or against the proposals by the deadline.

For details, please refer to page 3.

<b>Deadline of Exercise</b>	Thursday, December 19, 2019 at 5:25 p.m. Japan time
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If you exercise your voting rights using a smartphone, please use "Smart Voting."

\* Please refer to the enclosed flier for details.

If your voting rights are exercised in duplicate both in writing and via the Internet, etc., the vote via the Internet, etc. shall be deemed valid. When voting rights are exercised multiple times via the Internet, etc., or in duplicate using a PC or smartphone, the last vote shall be deemed valid.

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- ◎ If you are exercising your voting rights by proxy, you can delegate the exercise of your voting rights to another shareholder, who also owns voting rights. In such a case, please have your proxy submit a written power of attorney.
  - ◎ Based on the stipulations in relevant laws and regulations and Article 15 of the Company's Articles of Incorporation, the following items are posted on the Company's website (<https://www.nichino.co.jp/>) (Japanese only) and are therefore not included in the Appendix to this convocation notice.
    - (1) "III. The system and policies of the Company" and "IV. Other significant matters concerning the current status of the corporate group" in the Business Report
    - (2) "Consolidated statement of changes in equity" and "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements
    - (3) "Statement of changes in equity" and "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
  - ◎ Should the Appendix to this convocation notice and the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (<https://www.nichino.co.jp/>) (Japanese only).

## **Instruction for Exercising Voting Rights via the Internet, etc.**

Please access the Company's designated website for exercising voting rights by one of the following methods, and follow the instructions on the screen to enter your vote for or against the proposals.

### **Deadline of Exercise: Thursday, December 19, 2019 at 5:25 p.m. Japan time**

(Please exercise your voting rights as early as possible to facilitate the counting of the voting results.)

### **Method of exercising voting rights by smartphone**

By scanning the "smartphone voting rights exercise website login QR code<sup>®</sup>" indicated on the enclosed Voting Rights Exercise Form, you can log in without entering the "voting rights exercise code" and "password."  
You can exercise your voting rights only once via smartphone.

\* QR code is a registered trademark of DENSO WAVE INCORPORATED.

Please refer to the enclosed flier for details.

### **Method of entering the voting rights exercise code and password**

Website for exercising voting rights: <https://www.web54.net>

- (1) Access the website.
- (2) Log in and enter the voting rights exercise code.
- (3) Enter the password.
- (4) Follow the instructions on the screen to enter your approval or disapproval.

- Depending on the shareholder's Internet access environment, service subscriptions, and device model, the website for exercising voting rights may not be available.
- Shareholders shall bear service provider connection fees and telecommunications carrier service fees (telephone fees, etc.) when using the website for exercising voting rights.

### **Inquiries: For inquiries as to the use of personal computers and smartphones**

If you have any questions on the use of personal computers and smartphones in exercising the voting rights at this website, please contact the following:

Stock Transfer Agency Website Support Help Desk, Sumitomo Mitsui Trust Bank, Limited.

Phone: 0120-652-031

Operating Hours: 9:00 a.m. to 9:00 p.m. (Available in Japanese only)

For other inquiries regarding shares, please contact the following:

Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited

Phone: 0120-782-031

Operating Hours: 9:00 a.m. to 5:00 p.m., excluding Saturdays, Sundays, and holidays (Available in Japanese only)

Institutional investors may use the "electronic voting rights exercise platform" operated by ICJ, Inc.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

The Company's basic policy is to distribute stable and continuous dividend of profits to shareholders through enhancing the corporate value by expanding the business revenue and strengthening financial standing from the long-term perspective.

Taking into account the above policy and performance during the current fiscal year, the appropriation of surplus for the 120th fiscal year is proposed as follows.

Matters concerning the year-end dividend:

- (1) Matters concerning the allotment of dividend property to shareholders and total amount thereof:

7.50 yen per share of the Company's common stock, in a total amount of 590,813,333 yen

The annual dividend per share will be 15 yen per share, including the interim dividend paid of 7.50 yen per share.

- (2) The effective date of the dividend of surplus

Monday, December 23, 2019

**Proposal 2: Partial Amendment to the Articles of Incorporation**

1. Reasons for the amendment

The Company's fiscal year is from October 1 to September 30 of the following year. However, in order to standardize our accounting period with that of ADEKA Corporation, the Company's parent company, and to achieve more efficient business operations in all aspects of our business management, we will change our fiscal year to the period from April 1 to March 31 of the following year. As a result, partial amendment will be made to the relevant Articles of Incorporation.

In addition, a supplementary provision will be established as a transitional measure in accordance with the change to the fiscal year.

2. Content of the amendment

Content of the amendment is as follows:

(Amended parts are underlined)	
Current	Proposed amendment
Article 1. to 12. (Omitted)	Article 1. to 12. (Unchanged)
(Record Date for Ordinary General Meeting of Shareholders)	(Record Date for Ordinary General Meeting of Shareholders)
Article 13. The record date for voting rights at the Company's Ordinary General Meeting of Shareholders shall be <u>September 30</u> of each year.	Article 13. The record date for voting rights at the Company's Ordinary General Meeting of Shareholders shall be <u>March 31</u> of each year.
Article 14. to 34. (Omitted)	Article 14. to 34. (Unchanged)
(Fiscal Year)	(Fiscal Year)
Article 35. The Company's fiscal year shall be one (1) year from <u>October 1</u> to <u>September 30</u> of the following year.	Article 35. The Company's fiscal year shall be one (1) year from <u>April 1</u> to <u>March 31</u> of the following year.
(Record Date of the Dividend of Surplus)	(Record Date of the Dividend of Surplus)
Article 36. The record date of the Company's year-end dividend shall be <u>September 30</u> of each year.	Article 36. The record date of the Company's year-end dividend shall be <u>March 31</u> of each year.
2. In addition to the preceding paragraph, a dividend of surplus may be paid by establishing a record date.	2. In addition to the preceding paragraph, a dividend of surplus may be paid by establishing a record date.
(Interim Dividend)	(Interim Dividend)
Article 37. The Company may pay an interim dividend with <u>March 31</u> of each year as the record date upon the resolution of the Board of Directors.	Article 37. The Company may pay an interim dividend with <u>September 30</u> of each year as the record date upon the resolution of the Board of Directors.
Article 38. (Omitted)	Article 38. (Unchanged)
(Newly established)	Supplementary Provision <u>Article 1. Notwithstanding the provisions of Article 35 (Fiscal Year), the 121st Fiscal Year shall be six months from October 1, 2019 to March 31, 2020.</u>
(Newly established)	<u>Article 2. This Supplementary Provision shall be removed at the conclusion of the Ordinary General Meeting of Shareholders for the 121st Fiscal Year.</u>

**Proposal 3:** Election of 11 Directors

The terms of office of all 11 Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of 11 Directors.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities	Attributes			Attendance rate at Board of Directors meetings
1	Yosuke Tomoi	Representative Director, President	Re-election			100% (17 out of 17 meetings)
2	Koji Shishido	Representative Director and Senior Managing Executive Officer, and Division Manager of Production Division	Re-election			100% (14 out of 14 meetings)
3	Hirofumi Tomita	Director and Managing Executive Officer, in charge of Corporate Planning Division, in charge of Research Division, and responsible for Environment Safety Dept.	Re-election			100% (17 out of 17 meetings)
4	Hirohisa Yano	Director and Senior Executive Officer, and Division Manager of Market Development Division	Re-election			100% (17 out of 17 meetings)
5	Yoshiaki Higashino	Director and Senior Executive Officer, and Division Manager of Administration Division, responsible for Osaka Plant and General Manager of Osaka Plant, and responsible for special missions	Re-election			100% (17 out of 17 meetings)
6	Hiroshi Yamanoi	Director and Senior Executive Officer, and Division Manager of Industrial & Pharmaceuticals Sales Division	Re-election			100% (17 out of 17 meetings)
7	Hideo Yamamoto	Director and Senior Executive Officer, and Division Manager of Domestic Sales Division	Re-election			100% (14 out of 14 meetings)
8	Hiroyuki Iwata	Director and Senior Executive Officer, and Division Manager of Overseas Division	Re-election			100% (14 out of 14 meetings)
9	Akio Kohri	Director	Re-election			100% (17 out of 17 meetings)
10	Yasunori Matsui	Director	Re-election	Outside	Independent	100% (17 out of 17 meetings)
11	Iwao Toigawa	Director	Re-election	Outside	Independent	100% (17 out of 17 meetings)

Re-election	Reelection Director candidate	Outside	Outside Director candidate	Independent	Independent officer stipulated by stock exchanges, etc.
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Note: Messrs. Koji Shishido, Hideo Yamamoto, and Hiroyuki Iwata were newly elected at the previous year's Ordinary General Meeting of Shareholders (held on December 21, 2018). Therefore, the number of attendance at the Board of Directors meetings differs from the other candidates.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Yosuke Tomoi (January 12, 1956)  Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	April 1980	Joined the Company	29,724
		December 2006	Executive Officer and General Manager of Corporate Planning Dept., Corporate Office Division	
		December 2007	Director and Executive Officer, General Manager of Corporate Office Division, General Manager of Corporate Planning Dept., Corporate Office Division, and General Manager of Legal & Auditorial Dept., Corporate Office Division of the Company	
		December 2008	Director and Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., and General Manager of Secretarial Dept.	
		December 2009	Director and Executive Officer, and Deputy Division Manager of Sales Division	
		August 2010	Director and Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Sales Dept. 2, Sales Division	
		December 2011	Director and Managing Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., and General Manager of Secretarial Dept.	
		December 2014	Director and Senior Managing Executive Officer, General Manager of Corporate Office Division, responsible for Secretarial Dept., in charge of Administration Division, and General Manager of Secretarial Dept.	
		December 2015	Representative Director, President (current position)	
		[Reason for election as a candidate for Director] Mr. Yosuke Tomoi assumed the office of Representative Director, President of the Company in 2015 after having served as Director of the Company from 2007. He has designed the Nichino Group vision and implemented growth strategies to realize that vision. The Company expects him to continuously steer the ongoing group management of the Company as a business administrator by drawing on these experiences and achievements.		
[Special notes regarding the candidate for Director] There are no special interests between Mr. Yosuke Tomoi and the Company.				
2	Koji Shishido (December 20, 1959)  Reelection  Attendance rate at Board of Directors meetings 100% (14 out of 14 meetings)	April 1983	Joined Asahi Denka Co., Ltd. (current ADEKA Corporation)	12,657
		June 2004	General Manager of Food Production Dept., Kashima Plant, Asahi Denka Co., Ltd.	
		June 2010	Plant Manager of Kashima Plant, ADEKA Corporation	
		June 2014	General Manager of Production Management Dept., ADEKA Corporation	
		June 2016	Operating Officer and General Manager of Environmental Protection Division, General Manager of Environmental Safety & Quality Assurance Dept., ADEKA Corporation	
		April 2017	Operating Officer and General Manager of Environmental Protection Division, ADEKA Corporation	
		December 2018	Representative Director and Senior Managing Executive Officer, and Division Manager of Production Division (current position)	
[Reason for election as a candidate for Director] Mr. Koji Shishido has engaged in the management of ADEKA Corporation, the Company’s parent company, as its Operating Officer. In addition, he has a wealth of experience serving many years as head of the production and environmental protection segments and broad insight. He assumed the office of Representative Director of the Company in 2018, and is currently engaged in strengthening the Group’s production structure as Division Manager of the Production Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] For the past 5 years, Mr. Koji Shishido served as an executive of ADEKA Corporation, the Company’s parent company.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Hirofumi Tomita (October 15, 1955)  Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	April 1984	Joined Mitsubishi Kasei Corporation (current Mitsubishi Chemical Corporation)	7,107
		October 2002	Joined the Company	
		December 2009	Research Center General Manager of Research & Development Strategy Dept., Research & Development Division	
		December 2012	Executive Officer and General Manager of Development Dept., Research & Development Division	
		December 2014	Executive Officer, Deputy Division Manager of Research & Development Division, General Manager of Development Dept., Research & Development Division, and Product Development Manager of Research Center, Research & Development Division	
		August 2015	Executive Officer, Deputy Division Manager of Research & Development Division and General Manager of Development Dept., Research & Development Division	
		December 2015	Senior Executive Officer, Deputy Division Manager of Research & Development Division, and General Manager of Development Dept., Research & Development Division	
		December 2016	Director and Senior Executive Officer, Division Manager of Research Division, and responsible for Environment Safety Dept.	
		December 2018	Director and Managing Executive Officer, in charge of Corporate Planning Division, in charge of Research Division, and responsible for Environment Safety Dept. (current position)	
		[Reason for election as a candidate for Director] Mr. Hirofumi Tomita assumed the office of Director of the Company in 2016 and has worked to enhance drug discovering capability and accelerate its development as head of the research and development segment. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.		
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hirofumi Tomita and the Company.				



No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
4	Hirohisa Yano (July 16, 1958)	April 1982	Joined the Company	7,744
	Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	August 2007	General Manager of Secretarial Dept.	
		December 2008	General Manager of Marketing Dept., Sales Division	
		December 2011	Executive Officer, Deputy Division Manager of Sales Division, General Manager of Marketing Dept., Sales Division, and General Manager of Sales Dept. 2, Sales Division	
		August 2013	Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Marketing Dept., Sales Division	
		December 2015	Director and Senior Executive Officer, and Division Manager of Sales Division	
		August 2017	Director and Senior Executive Officer, and Division Manager of Domestic Sales Division	
		December 2018	Director and Senior Executive Officer, and Division Manager of Market Development Division (current position)	
[Reason for election as a candidate for Director] Mr. Hirohisa Yano has broad experience and knowledge gained by serving in the Company’s sales segment and others. He assumed the office of Director of the Company in 2015 and is currently engaged in promotion of the Company’s growth strategies, while pursuing the development and cultivation of new markets as Division Manager of the Market Development Division. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hirohisa Yano and the Company.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	Yoshiaki Higashino (May 12, 1958)  Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	April 1984	Joined Mitsubishi Kasei Corporation (current Mitsubishi Chemical Corporation)	8,680
		October 2002	Joined the Company	
		December 2008	General Manager of Corporate Planning Dept., Corporate Office Division	
		December 2013	Executive Officer and General Manager of Corporate Planning Dept., Corporate Office Division	
		December 2015	Senior Executive Officer, Division Manager of Corporate Planning Division, General Manager of Corporate Planning Dept., Corporate Planning Division, and responsible for Secretarial Dept.	
		December 2016	Director and Senior Executive Officer, and Division Manager of Market Development Division	
		December 2018	Director and Senior Executive Officer, and Division Manager of Administration Division, responsible for Osaka Plant and General Manager of Osaka Plant, and responsible for special missions (current position)	
[Reason for election as a candidate for Director] Mr. Yoshiaki Higashino has broad knowledge and experience gained by serving in the corporate planning and market development segments of the Company. He assumed the office of Director of the Company in 2016, and is currently engaged in strengthening the administration segment as Division Manager of the Administration Division. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Yoshiaki Higashino and the Company.				
6	Hiroshi Yamanoi (January 22, 1958)  Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	April 1981	Joined Adeka Argus Chemical Co., Ltd. (current ADEKA Corporation)	6,763
		June 2007	General Manager of Additives Solution Dept., Polymer Additives R&D Laboratory, ADEKA Corporation	
		October 2010	General Manager of Additives Solution Dept., Polymer Additives R&D Laboratory, ADEKA Corporation	
		May 2011	General Manager of Overseas Business Promotion Office, Corporate Planning Dept., ADEKA Corporation	
		June 2014	General Manager of Affiliated Companies Support Office, Corporate Planning Dept., ADEKA Corporation	
		October 2016	Joined the Company Executive Adviser of Chemical Products Division	
		December 2016	Director and Senior Executive Officer, and Division Manager of Chemical Products Division	
		December 2018	Director and Senior Executive Officer, and responsible for Pharmaceuticals Dept.	
		August 2019	Director and Senior Executive Officer, and Division Manager of Industrial & Pharmaceuticals Sales Division (current position)	
[Reason for election as a candidate for Director] Mr. Hiroshi Yamanoi has worked to promote and support overseas businesses in the corporate planning department of ADEKA Corporation, in addition to having engaged in research and development of additives solution at that company. He assumed the office of Director of the Company in 2016, and is currently engaged in strengthening the chemical products business as Division Manager of the Industrial & Pharmaceuticals Sales Division. The Company expects him to continuously contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] In the past, Mr. Hiroshi Yamanoi served for 5 years as an executive of ADEKA Corporation, the Company's parent company.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
7	Hideo Yamamoto (August 10, 1962)	April 1985	Joined the Company	5,225
	Reelection	August 2006	General Manager of Sales Dept. 1, Sales Division	
		December 2013	General Manager of Accounting and System Dept., Administration Division	
		December 2015	Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Marketing Dept., Sales Division	
	Attendance rate at Board of Directors meetings 100% (14 out of 14 meetings)	December 2016	Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Technical Service & Promotion Dept., Sales Division	
		December 2017	Executive Officer, Deputy Division Manager of Domestic Sales Division, General Manager of Technical Service & Promotion Dept., Domestic Sales Division, and General Manager of Sales Dept. 1, Domestic Sales Division	
		August 2018	Executive Officer and Deputy Division Manager of Domestic Sales Division	
	December 2018	Director and Senior Executive Officer, and Division Manager of Domestic Sales Division (current position)		
[Reason for election as a candidate for Director] Mr. Hideo Yamamoto has broad experience and knowledge gained by serving in the domestic sales and administration segments of the Company. He assumed the office of Director of the Company in 2018, and is engaged in strengthening the domestic businesses as Division Manager of the Domestic Sales Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hideo Yamamoto and the Company.				
8	Hiroyuki Iwata (November 3, 1963)	April 1986	Joined the Company	8,304
	Reelection	December 2013	General Manager of Sales Dept. 1, Sales Division	
		August 2016	General Manager attached to Division Manager of Overseas Division	
		December 2016	Executive Officer, Deputy Division Manager of Overseas Division, and General Manager of Sales Dept. Asia, Overseas Division	
	Attendance rate at Board of Directors meetings 100% (14 out of 14 meetings)	December 2017	Executive Officer and Division Manager of Overseas Division	
		December 2018	Director and Senior Executive Officer, and Division Manager of Overseas Division (current position)	
[Reason for election as a candidate for Director] Mr. Hiroyuki Iwata has broad experience and knowledge gained by serving in the domestic and overseas sales segments of the Company. He assumed the office of Director of the Company in 2018, and is engaged in strengthening the overseas businesses as Division Manager of the Overseas Division. The Company expects him to contribute to revitalizing the Board of Directors by drawing on these experiences and achievements.				
[Special notes regarding the candidate for Director] There are no special interests between Mr. Hiroyuki Iwata and the Company.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	<p>Akio Kohri (December 21, 1948)</p> <p>Reelection</p> <p>Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)</p>	<p>April 1971 June 2008</p> <p>Joined Asahi Denka Co., Ltd. (current ADEKA Corporation) Director and Operating Officer, Division Manager of Food Division, and General Manager of China Food Business Promotion Dept., ADEKA Corporation</p> <p>June 2010</p> <p>Director and Managing Operating Officer, General Manager of Corporate Planning Dept., responsible for New Business Promotion Office, and Chairman of Facility Investment Committee, ADEKA Corporation</p> <p>June 2012 December 2013</p> <p>President of ADEKA Corporation Director of the Company (current position)</p> <p>June 2018</p> <p>Chairman and Chief Executive Officer of ADEKA Corporation (current position)</p> <p>(Significant concurrent positions) Chairman and Chief Executive Officer of ADEKA Corporation Outside Audit &amp; Supervisory Board Member of Zeon Corporation</p>	—
<p>[Reason for election as a candidate for Director] Mr. Akio Kohri serves as Chairman and Chief Executive Officer of ADEKA Corporation, the Company's parent company. He has engaged in business administration in the manufacturing industry for many years and has a wealth of experience and broad insight. The Company has continuously selected him as a candidate for Director, because the Company believes that he is adequate to serve as Director.</p>			
<p>[Liability limitation agreement] The Company has entered into an agreement with Mr. Akio Kohri to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.</p>			
<p>[Special notes regarding the candidate for Director] For the past 5 years to the present, Mr. Akio Kohri has been serving as an executive of ADEKA Corporation, the Company's parent company.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Yasunori Matsui (March 3, 1956)  Reelection  Outside  Independent  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	<p>April 1984 Full-time lecturer of Department of Commerce, Faculty of Commerce at Takachiho University of Commerce (current Takachiho University)</p> <p>April 1987 Associate professor of Department of Commerce, Faculty of Commerce, Takachiho University of Commerce</p> <p>April 1990 Visiting researcher of the University of Exeter, U.K.</p> <p>April 1994 Associate professor of Business Department, College of Economics, Rikkyo University</p> <p>April 1995 Professor of Business Department, College of Economics, Rikkyo University</p> <p>April 2006 Professor of Global Business Department, College of Business, Rikkyo University</p> <p>March 2007 PhD (Accounting) (Rikkyo University)</p> <p>April 2008 President of Graduate School of Business Administration (MBA), Rikkyo University</p> <p>April 2012 Dean, College of Business, Rikkyo University</p> <p>December 2014 Director of the Company (current position)</p> <p>April 2016 Professor of Department of Business, College of Business, Rikkyo University (current position)</p> <p>(Significant concurrent positions) Professor of Department of Business, College of Business, Rikkyo University</p>	—
[Reason for election as a candidate for Outside Director] Mr. Yasunori Matsui has broad knowledge and insight in business administration gained through many years of experience as a university professor (in accounting and business administration), and has provided the Company with opinions and advice on the Company's overall management from an objective perspective. Although he has no experience in being involved in corporate management except as an outside officer, the Company has continuously selected him as a candidate for Outside Director, because, in addition to the reasons mentioned above, the Company believes that he is capable of adequately executing duties relevant to the position based on his solid track record of fulfilling the responsibilities as Outside Director of the Company. He will have served as Outside Director for 5 years at the conclusion of this Ordinary General Meeting of Shareholders.			
[Matters concerning independence] Mr. Yasunori Matsui satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated him as an independent officer and notified the Exchange to that effect. Subject to the approval of his election as Outside Director, the Company will notify the Exchange of his ongoing designation as an independent officer.			
[Liability limitation agreement] The Company has entered into an agreement with Mr. Yasunori Matsui to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Yasunori Matsui and the Company.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Iwao Toigawa (August 22, 1953)	April 1991 Registered as attorney-at-law (Tokyo Bar Association) and joined Watanabe Kijuro Law Office	—
	Reelection	July 2001 Established Toigawa Law Office	
	Outside	April 2005 Part-time lecturer, Graduate School of Law (Law School) of Keio University	
	Independent	May 2006 Established Hibiya T&Y Law Office (current position)	
	Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)	December 2011 Audit & Supervisory Board Member of the Company	
		December 2015 Director of the Company (current position)	
		(Significant concurrent positions)	
		Attorney-at-law	
		Outside Director of KOSÉ Corporation	
	[Reason for election as a candidate for Outside Director] Mr. Iwao Toigawa has expertise as an attorney-at-law, and a wealth of experience and broad insight in corporate legal affairs, and has provided the Company with opinions and advice on the Company’s overall management from an objective perspective. Although he has no experience in being involved in corporate management except as an outside officer, the Company has continuously selected him as a candidate for Outside Director because, in addition to the reasons mentioned above, the Company believes that he is capable of adequately executing duties relevant to the position based on his solid track record of fulfilling the responsibilities as Outside Director of the Company. He will have served as Outside Director for 4 years at the conclusion of this Ordinary General Meeting of Shareholders.		
[Matters concerning independence] Mr. Iwao Toigawa satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated him as an independent officer and notified the Exchange to that effect. Subject to the approval of his election as Outside Director, the Company will notify the Exchange of his ongoing designation as an independent officer.			
[Liability limitation agreement] The Company has entered into an agreement with Mr. Iwao Toigawa to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Director, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.			
[Special notes regarding the candidate for Director] There are no special interests between Mr. Iwao Toigawa and the Company.			

**Proposal 4:** Election of 2 Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members, namely Mr. Haruhiko Tomiyasu and Ms. Yoshiko Oshima will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of 2 Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has given its approval to this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
1	Haruhiko Tomiyasu (July 7, 1956)  Reelection  Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)  Attendance rate at Audit & Supervisory Board meetings 100% (8 out of 8 meetings)	<p>April 1979      Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)</p> <p>July 2005      General Manager of Administration Division, Mizuho Bank, Ltd.</p> <p>June 2007      Full-time Audit and Supervisory Board Member, ADEKA Corporation</p> <p>June 2009      Director and Operating Officer, responsible for Legal &amp; Public Relations Dept. and Financial &amp; Accounting Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>December 2009      Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>June 2010      Director and Operating Officer, responsible for Information Systems Dept., ADEKA Corporation</p> <p>June 2012      Director and Operating Officer, responsible for Human Resources Dept., Financial &amp; Accounting Dept. and Information Systems Dept., ADEKA Corporation</p> <p>June 2014      Director and Managing Operating Officer, responsible for Human Resources Dept., Financial &amp; Accounting Dept. and Information Systems Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>June 2015      Director and Managing Operating Officer, responsible for Human Resources Dept., Financial &amp; Accounting Dept. and Procurement &amp; Logistics Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation</p> <p>June 2018      Director and Senior Managing Operating Officer, Assistant to President, responsible for Secretarial Dept., Human Resources Dept., and Procurement &amp; Logistics Dept., and Chairman of Internal Control Promotion Committee, ADEKA Corporation (current position)</p> <p>(Significant concurrent position) Director and Senior Managing Operating Officer, ADEKA Corporation</p>	—
[Reason for election as a candidate for Audit & Supervisory Board Member] Mr. Haruhiko Tomiyasu is a Director and Senior Managing Operating Officer of ADEKA Corporation, the Company's parent company. The Company has continuously selected him as a candidate for Audit & Supervisory Board Member because the Company believes that he is adequate to serve as Audit & Supervisory Board member based on his wealth of experience and broad insight gained as an executive officer of a listed company.			
[Liability limitation agreement] The Company has entered into an agreement with Mr. Haruhiko Tomiyasu to limit his liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of his election as Audit & Supervisory Board Member, the Company intends to continue the agreement to limit his liability to the amount stipulated by laws and regulations.			
[Special notes regarding the candidate for Audit & Supervisory Board Member] For the past 5 years to the present, Mr. Haruhiko Tomiyasu has been serving as an executive of ADEKA Corporation, the Company's parent company.			

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
2	<p>Yoshiko Oshima (November 10, 1956)</p> <p>Reelection</p> <p>Outside</p> <p>Independent</p> <p>Attendance rate at Board of Directors meetings 100% (17 out of 17 meetings)</p> <p>Attendance rate at Audit &amp; Supervisory Board meetings 100% (8 out of 8 meetings)</p>	<p>April 1988 Registered as attorney-at-law (Dai-Ichi Tokyo Bar Association) and joined Nishimura &amp; Sanada (current Nishimura &amp; Asahi)</p> <p>May 1989 Joined Legal Affairs Department, Esso Sekiyu K.K. (current JXTG Nippon Oil &amp; Energy Corporation)</p> <p>July 1991 Joined Blakemore &amp; Mitsuki</p> <p>August 1994 Joined Atsumi &amp; Usui (current Atsumi &amp; Sakai)</p> <p>July 1995 Joined Coudert Brothers LLP (New York)</p> <p>May 1997 Established Oshima Law Office (current position)</p> <p>July 2013 Started practice as a certified public tax accountant (current position)</p> <p>September 2018 Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>(Significant concurrent positions) Attorney-at-law Certified public tax accountant</p>	—
<p>[Reason for election as a candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>Although Ms. Yoshiko Oshima has not been involved in corporate management except as an outside officer, the Company has continuously selected her as a candidate for Outside Audit &amp; Supervisory Board Member because the Company believes that she is adequate to serve as Outside Audit &amp; Supervisory Board Member in order to conduct audits from a fair, objective, and independent perspective based on her expertise as an attorney-at-law and a certified public tax accountant, along with the legal knowledge and experience developed over the years through her professional career. She will have served as Outside Audit &amp; Supervisory Board Member for 1 year and 3 months at the conclusion of this Ordinary General Meeting of Shareholders.</p>			
<p>[Matters concerning independence]</p> <p>Ms. Yoshiko Oshima satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange and Independence Standards for Appointment of Independent Officers set forth by the Company. The Company has designated her as an independent officer and notified the Exchange to that effect. Subject to the approval of her election as Outside Audit &amp; Supervisory Board Member, the Company will notify the Exchange of her ongoing designation as an independent officer.</p>			
<p>[Liability limitation agreement]</p> <p>The Company has entered into an agreement with Ms. Yoshiko Oshima to limit her liability under Article 423, Paragraph 1 of the Companies Act. Subject to the approval of her election as Audit &amp; Supervisory Board Member, the Company intends to continue the agreement to limit her liability to the amount stipulated by laws and regulations.</p>			
<p>[Special notes regarding the candidate for Audit &amp; Supervisory Board Member]</p> <p>There are no special interests between Ms. Yoshiko Oshima and the Company.</p>			



**Proposal 5:** Determination of Amount and Details of Performance-linked Stock-based Remuneration for Directors

1. Reasons for proposal and reasons that the remuneration system is deemed reasonable

Remuneration for the Company's Directors comprises "basic remuneration" and "bonuses." This proposal requests approval for the introduction of a new performance-linked stock-based remuneration system (hereinafter "the System") for the Company's Directors (excluding Outside Directors and non-executive Directors; hereinafter the same shall apply). We would like to ask you to leave the details of the System to the discretion of the Board of Directors within the framework of 2. below.

The objective of the System is to enhance the awareness of Directors to contribute to the improvement of the Company's medium- to long-term business performance and an increase in its corporate value by more clearly linking the remuneration of Directors with the Company's business performance and share value, whereby Directors share the benefits and risks associated with share price fluctuations with shareholders. Therefore, we believe that the introduction of the remuneration system is reasonable.

This proposal is separate from and in addition to the maximum annual remuneration for Directors (300 million yen; excluding remuneration for duties performed in the capacity of employee in the case of persons serving as both Director and employee) approved at the 92nd Ordinary General Meeting of Shareholders held on December 19, 1991, and would provide new performance-linked stock-based remuneration to eligible Directors holding office in the two fiscal years (18 months) from the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2021 (hereinafter "the Applicable Period").

If Proposal 3 "Election of 11 Directors" is approved as proposed, the number of Directors subject to the System would be eight persons.

\* If this proposal is approved as proposed, the Company plans to introduce a similar stock-based remuneration system for executive officers who have entered into an engagement agreement with the Company.

\* This proposal becomes effective subject to approval of Proposal 2 "Partial Amendment to the Articles of Incorporation."

2. Amount and content of remuneration, etc., under the System

(1) Overview of the System

The System is a stock-based remuneration system in which a trust established and funded by the Company (hereinafter, "the Trust") acquires shares of the Company, and the Company grants each Director the number of shares of the Company equivalent to the number of points it has awarded each Director, through the Trust.

In principle, Directors are granted shares of the Company at the time of their retirement from office.

1. Persons eligible for the System	The Company's Directors (excluding Outside Directors and non-executive Directors)
2. Applicable Period	From the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2021 (18 months)
3. Maximum amount of money contributed by the Company as necessary funds for the Trust to acquire shares of the Company to be granted to the persons eligible for the System in 1. during the Applicable Period in 2.	75 million yen in total
4. Methods of acquisition of the shares of Company	Disposition of treasury stock or acquisition from the stock market (including in after-hours trading)
5. Maximum number of points awarded to the persons eligible for the System in 1.	250,000 points during the two fiscal years of the Applicable Period (18 months) in 2.
6. Criteria for awarding of points	Points are awarded according to the position and achievement level of performance targets
7. Period during which shares of the Company are granted to the persons eligible for the System in 1.	In principle, upon retirement

(2) Maximum amount of money contributed to the Trust by the Company

The initial trust period for the Trust is approximately one year and seven months. The Company will

contribute an amount of money not exceeding 75 million yen as funds necessary for the acquisition of shares of the Company to be granted to Directors during the Applicable Period as remuneration for eligible Directors in office during the Applicable Period in accordance with the System, and establish the Trust, with Directors who fulfill certain requirements being designated as beneficiaries. The Trust acquires shares of the Company either through disposition of treasury stock of the Company or acquisition from the stock market (including in after-hours trading) using funds entrusted by the Company.

Note: The monetary amount to be actually entrusted to the Trust by the Company shall include estimated necessary expenses such as trust fees and compensation for the trust administrator, etc., in addition to the funds required to acquire shares of the Company as stated above.

In addition, in the event that a similar stock-based remuneration system is introduced for executive officers who have entered into an engagement agreement with the Company, the funds required to acquire shares of the Company to be granted to executive officers in accordance with the System shall also be entrusted to the Trust.

Each time the Applicable Period expires, the Company may continue the System by a resolution of the Company's Board of Directors by extending the Applicable Period in increments of three fiscal years and by extending the trust period of the Trust accordingly (including by effective extension of the trust period by transferring the trust assets of the Trust to another trust established by the Company for the same purpose as the Trust; hereinafter the same shall apply). In this event, during the extended Applicable Period, the Company shall contribute an additional amount not exceeding 150 million yen to the Trust as additional funds for acquiring shares of the Company necessary to be granted to Directors under the System for each extended Applicable Period, and will continue to award points as described in (3) below and grant shares of the Company.

In addition, even if the Applicable Period is not extended and the System is not continued as described above, when there are Directors who have accumulated points but not yet retired from office as at the expiration of the trust period, the Company may extend the trust period of the Trust until such Directors retire from office and the granting of shares of the Company from the Trust is completed.

(3) Methods for calculating the number of shares of the Company to be granted to Directors and the upper limit

(i) Method for awarding points to Directors

In accordance with the Share Grant Regulations established by the Company's Board of Directors, the Company awards each Director points based on their position and achievement level of performance targets on the point-award date during the trust period stipulated in the Share Grant Regulations.

However, the total number of points to be awarded to all Directors by the Company during the two fiscal years (18 months) of the Applicable Period shall not exceed 250,000 (after the extension of the Applicable Period, 500,000 points for each extended Applicable Period of 3 fiscal years).

(ii) Granting of shares of the Company in accordance with points to be awarded

Directors receive grants of shares of the Company in accordance with their accumulated number of points awarded as described in (i) above, following the procedures in (iii) below.

One point is equivalent to one share of the Company. However, reasonable adjustment may be made to the shares of the Company, if there has been a share split, share consolidation, or other change of circumstances where it is deemed reasonable to adjust the number of shares of the Company to be granted, in accordance with the ratio of the share split or share consolidation.

(iii) Granting of shares of the Company to Directors

Granting of shares of the Company in (ii) above to each Director shall be conducted by the Trust upon the performance of the prescribed beneficiary determination procedure at the time of the retirement of each Director.

Nevertheless, in order for the Company to withhold tax payment funds, such as withholding income tax, a certain proportion of the shares of the Company may be sold by the Trust and converted into cash and granted to Directors in lieu of the shares of the Company. Also, in the event where the shares of the Company in the Trust have been converted to cash due to a settlement following circumstances such as subscription to tender offer of shares of the Company held in the Trust, the Trust may conduct the granting in the form of cash in lieu of shares of the Company.

(iv) Exercise of voting rights

Voting rights associated with the shares of the Company held in the Trust shall not be exercised at all,

in accordance with instructions from the trust administrator, who is independent of the Company and the Company's officers, in order to ensure neutrality towards the management of the Company with respect to the exercise of voting rights relating to shares of the Company held in the Trust.

(vi) Handling of dividends

Dividends relating to the shares of the Company held in the Trust shall be received by the Trust to be used to acquire shares of the Company and for trust fees to be paid to the trustee relating to the Trust.

(Reference)

For an outline of the System, please refer to the "Notice Regarding the Introduction of Performance-linked Stock-based Remuneration System for Officers" dated November 12, 2019.

(Reference)

#### Independence Standards for Appointment of Independent Officers

1. In order to serve as an independent officer of the Company, he/she shall not fall under any of the following categories of persons.
  - (1) A person who is an executive director, executive officer, manager, or other employee (hereinafter collectively referred to as an “Executive Director, etc.”) of the Company or any of its subsidiaries, or a person who was an Executive Director, etc., of the Company during the past 10 years prior to assuming the office of independent officer (if the person has, at any time during those past 10 years, served as a non-executive director [meaning a director who does not fall under the criteria of an executive director; hereinafter the same shall apply], audit & supervisory board member or accounting advisor of the Company or any of its subsidiaries, during the past 10 years prior to assuming the office of such position).
  - (2) A major shareholder of the Company (meaning a shareholder holding 10% or more of the voting rights; hereinafter the same shall apply). If such major shareholder is a corporation, a person who is an executive director, executive officer, corporate officer, manager or other employee of such corporation, or the parent company or any of the major subsidiaries of such corporation (hereinafter collectively referred to as an “Executive Person”), or an Executive Person thereof during the last three years.
  - (3) A person whose major business partner is the Company or any of its subsidiaries (meaning a person who received payment equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year from the Company or any of its subsidiaries; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
  - (4) A major business partner of the Company (meaning a person who made payments equivalent to 2% or more of the Company’s consolidated annual sales for the most recent fiscal year to the Company; hereinafter the same shall apply). If such person is a corporation, a person who is an Executive Person of such corporation, or has been an Executive Person at any time during the three fiscal years prior to the most recent fiscal year.
  - (5) A person who is a director (limited to those who are responsible for the business execution) of an organization (for example, public interest incorporated foundation, public interest incorporated association, non-profit corporation, etc.), which received donations or grants exceeding ¥10 million per year on average over the past three fiscal years, from the Company or any of its subsidiaries, or a person who is an officer, corporate member or employee who executes business of such organization.
  - (6) A person who is an Executive Person of a corporation which has accepted director(s) (either full-time or part-time) from the Company or any of its subsidiaries, or of the parent company or any of the subsidiaries of such corporation.
  - (7) A person who is an Executive Person, or has been an Executive Person in the last three years, of a financial institution or other major creditor (hereinafter referred to as a “Major creditor, etc.”) that is essential to the Company’s financing and is relied upon by the Company to the extent that there is no substitute, or the parent company or any of major subsidiaries of such major creditor, etc.
  - (8) A person who is currently an accounting auditor, certified public accountant (or tax accountant) who serves as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) for the Company or any of its subsidiaries.

- (9) A person who has been an accounting auditor, certified public accountant (or tax accountant) who served as accounting advisor, or a member, partner or employee of an auditing firm (or tax accountant office) who has actually engaged in the auditing operations (excluding assisting involvement) for the Company or any of its subsidiaries over the last three years (including those who are currently retired from or have left the relevant organization).
  - (10) A person who is an attorney-at-law, certified public accountant, tax accountant or any other consultant that does not fall under items (8) or (9) above, and has received monetary or any other financial benefits of ¥10 million or more per year on average over the past three years, in addition to directors' remuneration, from the Company or any of its subsidiaries.
  - (11) A person who is a member, partner, associate or employee of a law firm, audit firm, tax accountant office, consulting firm or any other professional advisory firm which does not fall under items (8) or (9) above, and has received payment of ¥10 million or more per year on average over the past three years, from the Company or any of its subsidiaries.
  - (12) A person who is a spouse, relative within the second degree of kinship, or a co-habiting relative of a person specified in any of the items above.
- 2. In order to serve as an independent officer of the Company, it is required that he/she be free from risk of developing a substantive conflict of interest on a constant basis with the Company's general shareholders for reasons other than those covered by Paragraph 1 above.
  - 3. Even if he/she falls under any of the categories set forth in Paragraph 1 above, when the Company believes that the individual is appropriate to be appointed as an independent officer of the Company based upon his/her personal quality and insight, it may appoint such individual as an independent officer on the condition that it explains to the public that he/she satisfies the requirements for outside director or outside audit & supervisory board member set forth by the Companies Act, and provides reasons why it considers he/she be appropriate for its independent officer.