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(Stock Exchange Code 4045)
March 1, 2022

To Shareholders with Voting Rights:

Mikishi Takamura
President and Representative Director
Toagosei Co., Ltd.
1-14-1 Nishi-Shimbashi, Minato-ku, Tokyo

**NOTICE OF
THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Notice is hereby given that the 109th Ordinary General Meeting of Shareholders of Toagosei Co., Ltd. (the “Company”) will be held for the purposes as described below.

In terms of preventing the spread of COVID-19, we kindly ask you to refrain from attending this year’s General Meeting of Shareholders as much as possible, and exercise your voting rights in written form or by electronic method (via the Internet, etc.) as described below. We request you to review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights no later than 5:00 p.m. (Japan time) on Tuesday, March 29, 2022.

[Exercise of your voting rights in written form]

Please indicate your approval or disapproval of each of our proposals on the enclosed Voting Rights Exercise Form and return it to us by post so that it can reach us by the above exercise deadline.

[Exercise of your voting rights by electronic method (via the Internet)]

You can exercise your voting rights either by (1) scanning the QR code shown on the Voting Rights Exercise Form, or by (2) entering the “voting rights exercise code” and “password” shown on the Voting Rights Exercise Form on our website for exercising voting rights (<https://www.web54.net>), so please enter your approval or disapproval of each of our proposals by the above exercise deadline.

1. Date and Time: Wednesday, March 30, 2022 at 10:00 a.m. (Japan time) (Reception opens at 9:00 a.m.)

2. Place: 2F Large conference room at the Head Office of the Company located at 1-14-1 Nishi-Shimbashi, Minato-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the Company’s 109th Fiscal Year (January 1, 2021 - December 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the Company’s 109th Fiscal Year (January 1, 2021 - December 31, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendment to the Articles of Incorporation
Proposal 3: Election of Eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members)
Proposal 4: Election of Three (3) Directors who act as Audit and Supervisory Committee Members

4. Decisions upon Convocation

- (1) When you exercise your voting rights by a proxy, you must delegate your voting rights to another shareholder of the Company, who has voting rights. The delegation of your voting rights is limited to only one proxy.
- (2) If you exercise your voting rights more than once by an electronic method, the last exercise of your voting rights shall be treated as the valid vote.
- (3) If you exercise your voting rights both in written form and by an electronic method, your vote that we receive later shall be treated as the valid vote. In such case, if we receive your votes on the same day, your voting right exercised by an electronic method shall be treated as valid.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Among the documents that we should provide together with this Notice, the following items are posted on the Company's website in accordance with applicable laws and regulations and the Articles of Incorporation of the Company. Therefore, we do not include such information in the attachments. The following documents posted on the Company's website include part of the documents audited by the Audit and Supervisory Committee in preparation of the Audit Report, and the Company's Accounting Auditors in preparation of the Accounting Auditor's Report.
 - 1) "System to Ensure the Appropriateness of Operations" in the Business Report
 - 2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements
 - 3) "Non-consolidated Statement of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements be revised, the revised versions will be posted on the Company's website.
The Company's website: <https://www.toagosei.co.jp/>

Measures to prevent the spread of COVID-19
<ul style="list-style-type: none">• We kindly ask you to refrain from coming to the meeting venue on the day as much as possible, and for your cooperation in exercising your voting rights in advance by Mail or via the Internet, etc. For exercising your voting rights in advance, please refer to page 1 of this Notice.• The General Meeting of Shareholders will be live-streamed on the Internet, so that you can view it from your home and other places. Please refer to the enclosed leaflet for how to view the live-streaming. Please note that while the Company intends to live-stream with due consideration for the shareholders' privacy, etc., images of attending shareholders may unavoidably appear on the screen.• Please wear a mask when you come to the meeting venue. We kindly ask for your cooperation in using hand sanitizers available at the venue and in having your temperature checked.• We may not allow entry for those who refuse to cooperate in wearing masks and using hand sanitizers, and those who have a fever or are not feeling well.• The number of available seats will be largely reduced compared to previous years, as seating will be widely spaced. For this reason, we may decline your entry even if you come to the venue on the day.• Please note that we will not distribute commemorative goods (souvenirs) and drinks.• In order to shorten the meeting, explanations on the matters to be reported and others may be brief.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Regarding the appropriation of surplus of the Company, we hereby propose as follows:

■ Year-end Dividend

The Company regards investment, financial soundness, capital efficiency, and shareholder returns for sustainable growth based on the Group's medium- to long-term perspective as important elements of its capital policy. The basic dividend policy for returns to our shareholders is to continue stable dividends and improve our consolidated total return ratio with a consolidated dividend payout ratio targeted at around 30% and a consolidated total return ratio targeted at around 50%, and that the shareholder return be decided through a comprehensive consideration of investments for growth, earnings trend, and internal reserves to prepare for business risks, etc.

Regarding the year-end dividend for the 109th fiscal year, we propose as follows:

- 1 Type of dividend assets:
Cash

- 2 Matters concerning the allotment of dividend assets and the amount thereof:

(1) Dividend per share:	¥19
(Reference) Annual:	¥36
(2) Total amount of the dividends:	¥2,375,315,324

- 3 Date when dividends of surplus become effective:
March 31, 2022

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reason for the amendments

- (1) The “Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts” (Act No.70 of June 16, 2021), which came into effect on June 16, 2021, has allowed listed companies to hold a general meeting of shareholders without a designated location, i.e., a general meeting of shareholders without setting up a physical venue, involving attendance by shareholders online by using the Internet and other means (so-called “virtual-only shareholders’ meetings”). The Company believes that it is undeniable that a situation may arise in which it is not necessarily appropriate to hold a general meeting of shareholders with a designated location, from the perspective of protecting shareholders’ interests and ensuring their safety and health, due to the spread of infectious diseases or the occurrence of natural disasters, etc. As such, the Company intends to make required changes to the Articles of Incorporation for the purpose of enabling the Company, at the discretion of the Board of Directors, to hold its general meeting of shareholders without a designated location in such a case. Prior to this proposal, the Company has obtained confirmation from the Minister of Economy, Trade and Industry as well as the Minister of Justice that the requirements stipulated in the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice under Article 66, Paragraph 1 of the Industrial Competitiveness Enhancement Act are met.
- (2) The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will come into effect on September 1, 2022. Accordingly, the Company intends to establish provisions for electronically providing information contained in the Reference Documents for the General Meeting of Shareholders, etc. and for limiting the scope of matters to be included in the paper copy to be sent to shareholders who have requested it, and to delete the provisions for the Internet-based disclosure and deemed provision of the Reference Documents, etc. for the General Meeting of Shareholders as well as to establish supplementary provisions related to the effective date, etc.
- (3) The Company will alter the wording and make other required changes.

2. Details of the amendments

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
CHAPTER I. GENERAL PROVISIONS (Trade Name) Article 1. The name of the Company shall be TOUAGOUSEI Kabushiki Kaisha and shall be expressed in English as TOAGOSEI CO., LTD. (Purpose) Article 2. (Provision omitted) 3. Manufacture, process, and sales of materials for civil engineering and construction, housing, vehicles and transportation equipment, electrical machinery and apparatus, precision apparatus, office-supply equipment, etc.	CHAPTER I. GENERAL PROVISIONS (Trade Name) Article 1. (Changed in Japanese only; English unchanged) (Purpose) Article 2. (Unchanged) 3. (Changed in Japanese only; English unchanged)

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="183 190 678 324">CHAPTER III. GENERAL MEETING OF SHAREHOLDERS (Convocation of the General Meeting of Shareholders)</p> <p data-bbox="183 347 550 414">Article 13. (Provision omitted) (New)</p> <p data-bbox="183 728 774 840"><u>(Internet-Based Disclosure and Deemed Provision of Reference Documents, etc. for the General Meeting of Shareholders)</u></p> <p data-bbox="183 840 774 1288"><u>Article 19. At the time of convening a General Meeting of Shareholders, the Company may provide shareholders via the Internet with information on matters that should be stated or indicated in the Reference Documents for the General Meeting of Shareholders, Business Reports, Non-consolidated Financial Statements, and Consolidated Financial Statements, by disclosing said information pursuant to the Ordinance of the Ministry of Justice and may deem it as the provision of the information to shareholders.</u></p> <p data-bbox="359 1310 438 1355">(New)</p>	<p data-bbox="805 190 1300 257">CHAPTER III. GENERAL MEETING OF SHAREHOLDERS</p> <p data-bbox="805 257 1396 347"><u>(Convocation of the General Meeting of Shareholders and General Meeting of Shareholders without a Designated Location)</u></p> <p data-bbox="805 347 1093 392">Article 13. (Unchanged)</p> <p data-bbox="901 392 1396 728">3. <u>If the Board of Directors decides that it is not appropriate to hold a General Meeting of Shareholders with a designated location from the perspective of protecting shareholders' interests, etc. due to the spread of infectious diseases or the occurrence of natural disasters, etc., the Company may hold a General Meeting of Shareholders without a designated location.</u></p> <p data-bbox="1045 728 1157 772">(Deleted)</p> <p data-bbox="805 1310 1396 1377"><u>(Electronic Provision of Reference Documents, etc. for the General Meeting of Shareholders)</u></p> <p data-bbox="805 1377 1396 1534"><u>Article 19. At the time of convening a General Meeting of Shareholders, the Company shall take electronic provision measures as stipulated in Article 325-2 of the Companies Act.</u></p> <p data-bbox="901 1534 1396 1825">2. <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights as stipulated in Article 325-5 of the Companies Act.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>SUPPLEMENTARY PROVISIONS (Provision omitted) (New)</p>	<p>SUPPLEMENTARY PROVISIONS (Unchanged) <u>(Transitional Measures regarding Electronic Provision of Reference Documents, etc. for the General Meeting of Shareholders)</u> <u>3. The deletion of Article 19 of the current Articles of Incorporation and the establishment of Article 19 in the amended Articles of Incorporation shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No.70 of 2019) (hereinafter, the “Date of Enforcement”).</u> <u>4. Notwithstanding the provision of the preceding paragraph, Article 19 of the current Article of Incorporation shall remain in force with respect to any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <u>5. This paragraph and the preceding two paragraphs shall be automatically deleted on the date when six months have passed from the Date of Enforcement or three months have passed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal 3: Election of Eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members)

The terms of office for all of the nine (9) incumbent Directors will expire at the conclusion of the meeting. Accordingly, the Company proposes the election of eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members).

If this Proposal and Proposal 4 are approved as originally proposed, the Company's Board of Directors will comprise thirteen (13) members: six (6) internal Directors and seven (7) Independent Outside Directors (twelve (12) male and one (1) female).

The candidates are as follows:

No.	Name		Positions and Responsibilities at the Company	Attendance Rate at the Board of Directors meetings (for the current fiscal year)	Term of office (at the conclusion of this meeting)
1	Mikishi Takamura	[Reappointment]	President and Representative Director	13/13 (100%)	12 years
2	Nobuhiro Ishikawa	[Reappointment]	Vice President and Representative Director and General Manager, Corporate Strategy Division	13/13 (100%)	8 years
3	Susumu Miho	[Reappointment]	Director, General Manager, Supply Chain Management Division, General Manager, Logistics Department, Supply Chain Management Division and General Manager, Tokyo Sales Department	13/13 (100%)	4 years
4	Masahiro Kimura	[Reappointment]	Director, General Manager, Technology & Production Administrative Division and General Manager, Research & Development Administrative Division	10/10 (100%)*	1 year
5	Yasuhiro Koike	[Reappointment] [Outside] [Independent]	Director	13/13 (100%)	4 years
6	Yuichiro Mori	[Reappointment] [Outside] [Independent]	Director	10/10 (100%)*	1 year
7	Taizo Serita	[New appointment]	Executive Officer, General Manager, Group Administrative Division and General Manager, Human Resources Development Department, Group Administrative Division	-	-
8	Hidetoshi Furukawa	[New appointment] [Outside] [Independent]	-	-	-

* Number of times after assuming the office of Director in March 2021

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
1	Mikishi Takamura (March 28, 1956) [Reappointment]	<p>April 1980 Joined the Company</p> <p>April 2002 General Manager, Finance Group, Administrative Department</p> <p>April 2005 General Manager, Human Resources & General Affairs Group, Administrative Department</p> <p>April 2006 General Manager, Human Resources & General Affairs Group and General Manager, Investor Relations & Public Relations Section, Administrative Department</p> <p>April 2008 Deputy Plant Manager, Nagoya Plant</p> <p>March 2010 Director, General Manager, Administrative Department</p> <p>April 2012 Director, General Manager, Administrative Division</p> <p>March 2013 Director, General Manager, Corporate Strategy Department</p> <p>March 2015 Vice President and Representative Director and General Manager, Corporate Strategy Division</p> <p>November 2015 President and Representative Director (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Mikishi Takamura as a candidate for Director because he has mainly been involved in the management of the corporate strategy division and the administrative division of the Company and is expected to enhance the decision-making function of the Board of Directors by overseeing the management of the Group based on his extensive experience and business track records.</p>	94,542
2	Nobuhiro Ishikawa (January 8, 1955) [Reappointment]	<p>April 1977 Joined the Company</p> <p>April 2001 General Manager, Productive Technology Group, Manufacturing Department, Nagoya Plant</p> <p>April 2002 General Manager, Manufacturing Department II, Nagoya Plant</p> <p>April 2005 General Manager, Acrylic Products Group, Acrylic Products Department</p> <p>April 2007 General Manager, UV-curable Resins Group, Functional Materials Department</p> <p>March 2008 Executive Officer, General Manager, Acrylic Products Department</p> <p>March 2010 Executive Officer, Plant Manager, Nagoya Plant</p> <p>March 2014 Director, General Manager, Technology & Production Administrative Division</p> <p>January 2016 Vice President and Representative Director and General Manager, Corporate Strategy Division (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Nobuhiro Ishikawa as a candidate for Director because he has mainly been involved in the management of the technology and production division and the operating division of the Company and is expected to enhance the decision-making function of the Board of Directors by overseeing the management of the Group based on his extensive experience and business track records.</p>	66,817

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
3	Susumu Miho (November 12, 1959) [Reappointment]	<p>April 1984 Joined the Company</p> <p>April 2006 Research Manager, Productive Technology Laboratory, Technology Administrative Department</p> <p>December 2006 Chief Executive Officer, TOA-DIC Zhangjiagang Chemical Co., Ltd.</p> <p>February 2012 Deputy Plant Manager, Nagoya Plant of the Company</p> <p>April 2013 General Manager, Monomer & Oligomer Group, Acrylic Products Department</p> <p>March 2016 Executive Officer, General Manager, Acrylic Products Department</p> <p>January 2017 Executive Officer, General Manager, Polymer & Oligomer Division and General Manager, New Product Development Department, Polymer & Oligomer Division</p> <p>March 2018 Director, General Manager, Technology & Production Administrative Division and General Manager, Research & Development Administrative Division</p> <p>January 2021 Director, General Manager, Supply Chain Management Division and General Manager, Tokyo Sales Department</p> <p>January 2022 Director, General Manager, Supply Chain Management Division, General Manager, Logistics Department, Supply Chain Management Division and General Manager, Tokyo Sales Department (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Susumu Miho as a candidate for Director because he has mainly been involved in the management of the technology and production division and the operating division of the Company and is expected to fully perform his duty of business execution and enhance the decision-making function of the Board of Directors by reflecting his extensive experience and business track records on the management of the Company.</p>	36,094
4	Masahiro Kimura (July 7, 1960) [Reappointment]	<p>April 1986 Joined the Company</p> <p>April 2012 General Manager, Manufacturing Department II, Nagoya Plant</p> <p>April 2014 Deputy Plant Manager, Takaoka Plant</p> <p>June 2018 Plant Manager, Takaoka Plant</p> <p>March 2019 Executive Officer, Plant Manager, Takaoka Plant</p> <p>March 2021 Director, General Manager, Technology & Production Administrative Division and General Manager, Research & Development Administrative Division (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Masahiro Kimura as a candidate for Director because he has mainly been involved in the management of the technology and production division of the Company and is expected to fully perform his duty of business execution and enhance the decision-making function of the Board of Directors by reflecting his extensive experience and business track records on the management of the Company.</p>	18,824

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
5	Yasuhiro Koike (April 7, 1954) [Reappointment] [Outside] [Independent]	<p>April 1983 Research Associate, Faculty of Science and Technology, Keio University</p> <p>April 1992 Associate Professor, Faculty of Science and Technology, Keio University</p> <p>April 1997 Professor, Faculty of Science and Technology, Keio University</p> <p>April 2004 Director, Keio Leading-edge Laboratory of Science and Technology</p> <p>April 2010 Director, Keio Photonics Research Institute (to present)</p> <p>November 2010 Councillor, Keio University</p> <p>March 2018 Director of the Company (to present)</p> <p>April 2020 Professor, Keio University (to present)</p> <p>June 2021 Outside Director, Nagase Brothers, Inc. (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director and outline of expected roles] Mr. Yasuhiro Koike has a high level of expert knowledge and experience, etc. that he has acquired as a professor of the Faculty of Science and Technology in a wide range of chemical fields, including polymer chemistry, in addition to his business track records as an Outside Director of the Company. The Company selected him as a candidate for Outside Director because it is expected that he will continue to further enhance the management system of the Company by providing opinions and recommendations that contribute to the improvement of corporate value based on his experience as well as oversight from an independent perspective regarding the management of the Company.</p>	1,266
6	Yuichiro Mori (January 6, 1968) [Reappointment] [Outside] [Independent]	<p>April 1993 Registered as a lawyer</p> <p>April 1993 Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)</p> <p>June 2002 Joined Jones Day Showa (currently Jones Day) (to present)</p> <p>June 2012 Supervisory Director, DREAM Private REIT Inc. (to present)</p> <p>June 2018 Outside Audit & Supervisory Board Member, Keihin Corporation (currently Hitachi Astemo, Ltd.)</p> <p>March 2021 Director of the Company (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director and outline of expected roles] Mr. Yuichiro Mori has a high level of expert knowledge and experience, etc. in legal practice that he has acquired as a lawyer, in addition to his business track records as an Outside Director of the Company. The Company selected him as a candidate for Outside Director because it is expected that he will continue to further enhance the management system of the Company by providing opinions and recommendations that contribute to the improvement of corporate value based on his experience as well as oversight from an independent perspective regarding the management of the Company. Although he has not been involved in corporate management, the Company considers he will perform his duty properly as an Outside Director for the above reasons.</p>	0

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
7	Taizo Serita (January 25, 1962) [New appointment]	<p>April 1985 Joined Aron Kasei Co., Ltd.</p> <p>June 2007 General Manager, General Affairs and Human Resources Department, Aron Kasei Co., Ltd.</p> <p>September 2011 General Manager, General Affairs & Legal Group, Administrative Department of the Company</p> <p>April 2012 General Manager, General Affairs & Legal Department, Administrative Division and General Manager, Investor Relations & Public Relations Section, Administrative Division</p> <p>March 2014 Director, In charge of Supply Chain Management, Aron Kasei Co., Ltd.</p> <p>March 2015 Director, In charge of Finance & Supply Chain Management, Aron Kasei Co., Ltd.</p> <p>January 2016 Director, General Manager, Administrative Division, Aron Kasei Co., Ltd.</p> <p>March 2019 Executive Officer, General Manager, Information System Department, Group Management Division of the Company President and Representative Director, Toa Business Associate Co., Ltd.</p> <p>January 2020 Executive Officer, General Manager, Information System Department, Corporate Strategy Division of the Company President and Representative Director, Toa Business Associate Co., Ltd.</p> <p>January 2022 Executive Officer, General Manager, Group Administrative Division and General Manager, Human Resource Development Department, Group Administrative Division of the Company (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Taizo Serita as a candidate for Director because he has mainly been involved in the management of the administrative division of the Company and the Group companies and the operating division of the Group companies and is expected to fully perform his duty of business execution and enhance the decision-making function of the Board of Directors by reflecting his extensive experience and business track records on the management of the Company.</p>	13,791
8	Hidetoshi Furukawa (July 16, 1955) [New appointment] [Outside] [Independent]	<p>April 1979 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>June 2005 Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2009 Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2012 Director and Senior Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2014 Representative Director and Deputy President, Sumitomo Mitsui Banking Corporation</p> <p>June 2015 Representative Director, President and Chief Executive Officer, SMBC Trust Bank</p> <p>June 2018 Chairperson, SMBC Trust Bank</p> <p>June 2020 Outside Director, Isetan Mitsukoshi Holdings Ltd. (to present)</p> <p>November 2021 Chairman, General Incorporated Company, Kobe City Property Research (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director and outline of expected roles] Mr. Hidetoshi Furukawa has a high level of insight regarding finance and accounting developed through his business background at financial institutions, in addition to his extensive experience in corporate management, including serving as Representative Director at Sumitomo Mitsui Banking Corporation and SMBC Trust Bank. The Company selected him as a candidate for Outside Director because it is expected that he will further enhance the management system of the Company by providing opinions and recommendations that contribute to the improvement of corporate value based on his experience as well as oversight from an independent perspective regarding the management of the Company.</p>	0

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. The number of shares of the Company held by each candidate includes the candidate's equity interest in the Officer Shareholders' Committee.
3. Messrs. Yasuhiro Koike and Yuichiro Mori are candidates for Outside Directors, and the Company designates them as independent officers as stipulated under the regulations of Tokyo Stock Exchange and submitted a notification of the designation to the same Exchange.
4. Mr. Yasuhiro Koike is currently Outside Director of the Company. His term of office as Outside Director will have been four years at the conclusion of the meeting.
5. Mr. Yuichiro Mori is currently Outside Director of the Company. His term of office as Outside Director will have been one year at the conclusion of the meeting.
6. Mr. Hidetoshi Furukawa is a candidate for Outside Director. The Company will designate him as an independent officer as stipulated under the regulations of Tokyo Stock Exchange and submit a notification of the designation to the same Exchange.
7. Mr. Hidetoshi Furukawa previously served as Representative Director and Deputy President of Sumitomo Mitsui Banking Corporation, the main bank of the Company. In April 2015, he retired from his position, since which six years and 11 months will have passed at the conclusion of the meeting.
8. The Company has provided in its Articles of Incorporation that it may enter into a liability limitation agreement with a Director (excluding executive directors, etc.), under the provisions of Article 427, Paragraph 1 of the Companies Act, to limit his/her liability under Article 423, Paragraph 1 of the Companies Act to the greater of ¥10 million or the amount specified by applicable laws and regulations. The Company has entered into the liability limitation agreements mentioned above with Messrs. Yasuhiro Koike and Yuichiro Mori. If the election of Messrs. Yasuhiro Koike, Yuichiro Mori, and Hidetoshi Furukawa is approved at the meeting, the Company intends to enter into the liability limitation agreements with them.
9. The Company has entered into a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. If this Proposal is approved, the candidates will be insured by said insurance agreement. An outline of the insurance agreement is as described in "(5) Outline of a directors and officers liability insurance agreement" of "3 Matters regarding officers of the Company" on page 41 of the Business Report (available in Japanese only). The Company plans to renew said insurance agreement during their terms of office.

Proposal 4: Election of Three (3) Directors who act as Audit and Supervisory Committee Members

Among the five (5) incumbent Directors who act as Audit and Supervisory Committee Members, the terms of office of Mr. Katsuyuki Ito, Mr. Nobuhiko Takano, and Mr. Koichi Danno will expire at the conclusion of the meeting. Accordingly, the Company proposes the election of three (3) Directors who act as Audit and Supervisory Committee Members.

The Audit and Supervisory Committee has given its prior consent to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
1	Nobuhiko Takano (October 8, 1956) [Reappointment] [Outside] [Independent]	<p>July 2006 District Director, Moji Tax Office, Fukuoka Regional Taxation Bureau</p> <p>July 2007 Chief Investigator, Criminal Investigation Department, Tokyo Regional Taxation Bureau</p> <p>July 2009 Chief Examiner, First Taxation Department, Tokyo Regional Taxation Bureau</p> <p>July 2010 Director, Second Personnel Division, Planning and Administration Department, Tokyo Regional Taxation Bureau</p> <p>July 2012 Director, First Personnel Division, Planning and Administration Department, Tokyo Regional Taxation Bureau</p> <p>July 2014 Director, (Health and Welfare), Commissioner's Secretariat, National Tax Agency</p> <p>July 2015 Chief Internal Inspector, Commissioner's Secretariat, National Tax Agency</p> <p>July 2016 Regional Commissioner, Kumamoto Regional Taxation Bureau</p> <p>August 2017 Registered as a Certified Public Tax Accountant</p> <p>August 2017 Director, Takano Nobuhiko Tax Accountant Office (to present)</p> <p>March 2018 Director (Audit and Supervisory Committee Member) of the Company (to present)</p> <p>June 2020 Outside Audit & Supervisory Board Member, NICHIAS Corporation (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director who acts as Audit and Supervisory Committee Member and outline of expected roles]</p> <p>Mr. Nobuhiko Takano has a high level of expert knowledge and experience, etc. regarding accounting and tax affairs that he has acquired through his background at the National Tax Agency and as a Certified Public Accountant, in addition to his business track records as an Outside Director who acts as Audit and Supervisory Committee Member of the Company. The Company selected him as a candidate for Outside Director who acts as Audit and Supervisory Committee Member because it is expected that he will continue to monitor and verify the status of the establishment and operation of the internal control system of the Company as well as conduct audits, etc. of the status of operations and assets of the Company, based on his experience.</p> <p>Although he has not been involved in corporate management, the Company considers he will perform his duty properly as an Outside Director for the above reasons.</p>	3,797

No.	Name (Date of birth)	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of shares of the Company held
2	Koichi Danno (July 27, 1954) [Reappointment] [Outside] [Independent]	<p>April 1978 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2004 Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2008 Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2011 Senior Managing Executive Officer, Sumitomo Mitsui Financial Group, Inc. Director and Senior Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>June 2011 Director, Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2013 President, Representative Director and COO, SMBC Friend Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)</p> <p>June 2018 President and Representative Director, Muromachi Co., Ltd.</p> <p>March 2020 Director (Audit and Supervisory Committee Member) of the Company (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director who acts as Audit and Supervisory Committee Member and outline of expected roles] Mr. Koichi Danno has extensive experience in corporate management, including serving as Representative Director at SMBC Friend Securities Co., Ltd. and Muromachi Co., Ltd. as well as a high level of insight regarding finance and accounting developed through his business background at financial institutions, in addition to his business track records as an Outside Director who acts as Audit and Supervisory Committee Member of the Company. The Company selected him as a candidate for Outside Director who acts as Audit and Supervisory Committee Member because it is expected that he will continue to monitor and verify the status of the establishment and operation of the internal control system of the Company as well as conduct audits, etc. of the status of operations and assets of the Company, based on his experience.</p>	848
3	Yoshitaka Suzuki (September 14, 1958) [New appointment]	<p>April 1982 Joined the Company</p> <p>April 2012 Deputy Plant Manager, Nagoya Plant</p> <p>April 2014 General Manager, General Affairs & Legal Department, General Manager, Human Resources Department, and General Manager, Investor Relations & Public Relations Section, Administrative Division</p> <p>September 2014 General Manager, General Affairs & Legal Department and General Manager, Human Resources Department, Administrative Division</p> <p>March 2017 Director, General Manager, Administrative Division</p> <p>January 2019 Director, General Manager, Group Administrative Division</p> <p>January 2020 Director, General Manager, Group Administrative Division, General Manager, General Affairs & Legal Department and General Manager, Human Resources Development Department, Group Administrative Division</p> <p>January 2021 Director, General Manager, Group Administrative Division and General Manager, Human Resources Development Department, Group Administrative Division</p> <p>January 2022 Director of the Company (to present)</p> <p>[Reason for selecting him/her as a candidate for Director who acts as Audit and Supervisory Committee Member] The Company selected Mr. Yoshitaka Suzuki as a candidate for Director who acts as Audit and Supervisory Committee Member because it is judged that he has mainly been involved in the management of the administrative division of the Company and he can further enhance the audit and oversight functions of the Company by reflecting his extensive experience and business track records on the management of the Company.</p>	30,591

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. The number of shares of the Company held by each candidate includes the candidate's equity interest in the Officer Shareholders' Committee.
3. Messrs. Nobuhiko Takano and Koichi Danno are candidates for Outside Directors. The Company designates them as

independent officers as stipulated under the regulations of Tokyo Stock Exchange and submitted a notification of the designation to the same Exchange.

4. Mr. Nobuhiko Takano is currently Outside Director who acts as Audit and Supervisory Committee Member of the Company. His term of office in this position will have been four years at the conclusion of the meeting.
5. Mr. Koichi Danno is currently Outside Director who acts as Audit and Supervisory Committee Member of the Company. His term of office in this position will have been two years at the conclusion of the meeting.
6. Mr. Koichi Danno previously served as Director and Senior Managing Executive Officer of Sumitomo Mitsui Banking Corporation, the main bank of the Company. In April 2013, he retired from his position, since which eight years and 11 months will have passed at the conclusion of the meeting.
7. The Company has provided in its Articles of Incorporation that it may enter into a liability limitation agreement with a Director (excluding executive directors, etc.), under the provisions of Article 427, Paragraph 1 of the Companies Act, to limit his/her liability under Article 423, Paragraph 1 of the Companies Act to the greater of ¥10 million or the amount specified by applicable laws and regulations. The Company has entered into the liability limitation agreements mentioned above with Messrs. Nobuhiko Takano and Koichi Danno. If the election of Messrs. Nobuhiko Takano, Koichi Danno, and Yoshitaka Suzuki is approved at the meeting, the Company intends to enter into the liability limitation agreements with them.
8. The Company has entered into a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. If this Proposal is approved, the candidates will be insured by said insurance agreement. An outline of the insurance agreement is as described in “(5) Outline of a directors and officers liability insurance agreement” of “3 Matters regarding officers of the Company” on page 41 of the Business Report (available in Japanese only). The Company plans to renew said insurance agreement during their terms of office.

(Reference)

●The Composition of the Board of Directors

If Proposal 3 and Proposal 4 are approved as originally proposed, the composition of the Company's Board of Directors will be as follows:

Name	Category	Attendance at the Board of Directors meetings in 2021 (times)	Areas of experience					
			Corporate Management / Corporate Strategy	Marketing / Sales	R&D / Technology & Production	Finance / Accounting	Legal Affairs	Human Resources / Labor Management
Mikishi Takamura		13/13	○			○		○
Nobuhiro Ishikawa		13/13	○	○	○			
Susumu Miho		13/13		○	○			
Masahiro Kimura		10/10*1			○			
Taizo Serita		-		○		○	○	○
Yasuhiro Koike	[Outside]	13/13			○			
Yuichiro Mori	[Outside]	10/10*1					○	
Hidetoshi Furukawa	[Outside]	-	○			○		
Yoshitaka Suzuki	Audit and Supervisory Committee Member	13/13*2				○	○	○
Nobuhiko Takano	Audit and Supervisory Committee Member [Outside]	13/13				○		
Kiyoko Ishiguro	Audit and Supervisory Committee Member [Outside]	13/13					○	
Masahiko Yasuda	Audit and Supervisory Committee Member [Outside]	13/13	○			○		
Koichi Danno	Audit and Supervisory Committee Member [Outside]	13/13	○			○		

*1 Number of times after assuming the office of Director in March 2021

*2 Number of times while serving as a Director who does not act as Audit and Supervisory Committee Member

- Independence Criteria for Independent Outside Directors

The Company has adopted the following independence criteria for Outside Directors. Candidates are considered insufficiently independent from the Company if any of the following applies.

1. (1) A person who currently executes business for the Company or a subsidiary of the Company (executive director, corporate officer, executive officer, or other employee in a senior management position) or has done so within the past 10 years
 - (2) A party for which the Company is a major client, or if the party is a company, a person who executes business for the company (executive director, corporate officer, executive officer, or other employee in a senior management position)
 - (3) A party that is a major client of the Company, or if the party is a company, a person who executes business for the company (executive director, corporate officer, executive officer, or other employee in a senior management position)
 - (4) A legal specialist such as a lawyer, or an accounting specialist such as a certified public accountant, or a consultant, etc., who has received a significant amount of money or other assets from the Company, other than executive remuneration (or if the recipient of the assets is a corporation, association, or some other organization, a member of such organization).
 - (5) A major shareholder of the Company, or if the shareholder is a company, a person who executes business for the company
 - (6) A recipient of a significant amount of donations from the Company (or if the recipient of the financial asset is a corporation, association, or other organization, a member of such organization)
 - (7) A spouse or a relative within the second degree of someone to whom any of the above (1) to (6) applies
 - (8) A person to whom any of the above (2) to (7) have applied within the past three years
2. A person who has been an Outside Director of the Company for more than eight years.