

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 4045)

March 3, 2025

(Start Date of Electronic Provision Measures: February 27, 2025)

**To Shareholders with Voting Rights:**

Hidenori Kobuchi  
President, COO and Representative Director  
Toagosei Co., Ltd.  
1-14-1 Nishi-Shimbashi, Minato-ku, Tokyo

**NOTICE OF THE 112TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

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

Notice is hereby given that the 112th Ordinary General Meeting of Shareholders of Toagosei Co., Ltd. (the “Company”) will be held for the purposes as described below.

The Company takes electronic provision measures when convening the General Meeting of Shareholders, and the matters to be provided electronically are posted as “Notice of the 112th Ordinary General Meeting of Shareholders” on the Company’s website.

The Company's website: [https://www.toagosei.co.jp/english/ir/stock\\_information/meeting/](https://www.toagosei.co.jp/english/ir/stock_information/meeting/)

In addition to the above, they are also posted on the website of the Tokyo Stock Exchange (TSE). Please access the TSE website below (TSE Listed Company Search), enter the issue name (Toagosei) or securities code (4045), and select “Basic information” and “Documents for public inspection/PR information” to confirm the information listed there.

TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are not attending the meeting in person, we request you to review the Reference Documents for the General Meeting of Shareholders, which are listed in the matters to be provided electronically, and exercise your voting rights in writing or by an electronic method (the Internet, etc.) no later than 5:00 p.m. (Japan time) on Thursday, March 27, 2025.

- 1 Date and Time:** Friday, March 28, 2025 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 112th Fiscal Year (January 1, 2024 - December 31, 2024) 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 112th Fiscal Year (January 1, 2024 - December 31, 2024)

**Proposals to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of Eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members)

**Proposal 3:** Election of One (1) Director who acts as an Audit and Supervisory Committee Member

**Proposal 4:** Revision of the Amount of Remuneration for Directors (excluding Directors who act as Audit and Supervisory Committee Members)

**Proposal 5:** Revision of the Amount of Remuneration for 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.
- (4) If you do not indicate your vote for or against a proposal on the Voting Rights Exercise Form, you will be deemed to have approved the proposal.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- The Company has sent the Reference Documents for the General Meeting of Shareholders and part of the Business Report to shareholders who have not requested a paper copy. In accordance with applicable laws and regulations and Article 19 of the Articles of Incorporation of the Company, the following items are not included in the document sent to shareholders who have requested a paper copy. Therefore, the document constitutes part of the documents audited by the Audit and Supervisory Committee in preparation of the Audit Report and by the Accounting Auditors in preparation of the Accounting Auditor's Report.
  - Business Report, "4 Matters Concerning Accounting Auditors"
  - Business Report, "5 System to Ensure the Appropriateness of Operations"
  - Business Report, "6 Basic Policy Concerning Control of the Company"
  - Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements in the Consolidated Financial Statements
  - Non-consolidated Financial Statements
  - Audit Report
- 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 note that we will not distribute commemorative goods (souvenirs) and drinks.
- In the event of a revision to the matters to be provided electronically, the details of the revision will be posted on the websites where they are posted.

# 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. For the period covered by the Medium-Term Management Plan 2025, we aim for a total return ratio of 100%.

Regarding the year-end dividend for the 112th 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:	¥30
(Reference) Annual:	¥60
(2) Total amount of the dividends:	¥3,372,163,620
  
- 3 Date when dividends of surplus become effective:  
(March 31, 2025)

**Proposal 2:** Election of Eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members)

The terms of office for all of the eight (8) 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).

The candidates are as follows:

No.	Name	*1	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]	Chairman, CEO and Representative Director	13/13 (100%)	15 years
2	Hidenori Kobuchi	[Reappointment]	President, COO and Representative Director	13/13 (100%)	2 years
3	Etsuzo Marumoto	[Reappointment]	Director; General Manager, Technology & Production Administrative Division; and General Manager, Research & Development Administrative Division	10/10 (100%)*2	1 year
4	Shoji Takayama	[Reappointment]	Director; General Manager, Group Supply Chain Management Division; General Manager, Business Planning Department, Group Supply Chain Management Division; General Manager, Logistics Department, Group Supply Chain Management Division; and General Manager, Tokyo Sales Department	10/10 (100%)*2	1 year
5	Takashi Kato	[Reappointment] [Outside] [Independent]	Director	12/13 (92%)	2 years
6	Masahiko Ito	[Reappointment] [Outside] [Independent]	Director	10/10 (100%)*2	1 year
7	Akihiko Matsuda	[New appointment]	CFO and General Manager, Group Corporate Strategy and Administration Division	–	–
8	Reiko Ishiyama	[New appointment] [Outside] [Independent]	–	–	–

\*1 [Reappointment] Candidate for Director to be reappointed, [New appointment] Candidate for Director to be newly appointed

\*2 Number of times after assuming the office of Director in March 2024

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 &amp; General Affairs Group, Administrative Department</p> <p>April 2006    General Manager, Human Resources &amp; General Affairs Group and General Manager, Investor Relations &amp; 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</p> <p>January 2025    Chairman, CEO 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 been involved in the management of the Group, including as President and Representative Director 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>	125,178
2	Hidenori Kobuchi (December 4, 1963)  [Reappointment]	<p>April 1988    Joined the Company</p> <p>April 2010    General Manager, Adhesive Group, Functional Chemicals Department</p> <p>April 2013    General Manager, Polymer &amp; Photopolymer Group, Acrylic Products Department</p> <p>January 2016    General Manager, Polymer &amp; Photopolymer Group, Acrylic Products Department, General Manager, New Products Research Group, Acrylic Products Department</p> <p>January 2017    General Manager, Polymer Department, Polymer &amp; Oligomer Division</p> <p>March 2018    Executive Officer, General Manager, Polymer &amp; Oligomer Division, General Manager, Polymer Department, Polymer &amp; Oligomer Division</p> <p>January 2019    Executive Officer, General Manager, Polymer &amp; Oligomer Division</p> <p>January 2021    Executive Officer of the Company</p> <p>March 2023    President and Representative Director, MT AquaPolymer, Inc. Director, General Manager, Supply Chain Management Division and General Manager, Tokyo Sales Department</p> <p>January 2024    Vice President and Representative Director and General Manager, Corporate Strategy Division</p> <p>January 2025    President, COO and Representative Director (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Hidenori Kobuchi as a candidate for Director because he has been involved in the management of the Group, including as Vice President and Representative Director of the Company and President and Representative Director of MT AquaPolymer, Inc., a Group 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>	32,274

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	Etsuzo Marumoto (November 23, 1962)  [Reappointment]	<p>April 1987      Joined the Company</p> <p>January 2017    General Manager, Quality Assurance Department, Technology &amp; Production Administrative Division</p> <p>January 2018    General Manager, Manufacturing Department, Tokushima Plant</p> <p>April 2018      Deputy Plant Manager and General Manager, Manufacturing Department, Tokushima Plant</p> <p>March 2021     Executive Officer, Plant Manager and General Manager, Administrative Department, Yokohama Plant</p> <p>January 2023    Executive Officer, Plant Manager, Nagoya Plant</p> <p>March 2024     Director, General Manager, Technology &amp; Production Administrative Division and General Manager, Research &amp; Development Administrative Division (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Etsuzo Marumoto as a candidate for Director because he has been involved mainly in the management of research division and technology and production division of the Company, including as General Manager of Technology &amp; Production Administrative Division, General Manager of Research &amp; Development Administrative Division, and Plant Manager of Nagoya Plant, 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>	24,518

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
4	Shoji Takayama (February 18, 1963)  [Reappointment]	<p>April 1985    Joined the Company</p> <p>March 2013    Director, TG Corporation</p> <p>January 2018    President and Representative Director, TG Corporation</p> <p>March 2019    Executive Officer of the Company</p> <p>                    President and Representative Director, TG Corporation</p> <p>January 2020    Executive Officer, General Manager, Commodity Chemicals Division; General Manager, Acrylic Monomer Products Department, Commodity Chemicals Division</p> <p>                    President and Representative Director, MT Ethylene Carbonate Co., Ltd.</p> <p>March 2024    Director, General Manager, Group Supply Chain Management Division and General Manager, Tokyo Sales Department of the Company</p> <p>January 2025    Director, General Manager, Group Supply Chain Management Division; General Manager, Business Planning Department, Group Supply Chain Management Division; General Manager, Logistics Department, Group 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. Shoji Takayama as a candidate for Director because he has been involved mainly in the management of the business division and sales division of the Company, including as General Manager of Group Supply Chain Management Division of the Company and President and Representative Director of a trading company of the Group, 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>	41,580

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	Takashi Kato (April 22, 1959)  [Reappointment] [Outside] [Independent]	<p>April 1989 Assistant, Department of Chemical Synthesis, Faculty of Engineering, The University of Tokyo</p> <p>April 1991 Lecturer, Institute of Industrial Science, The University of Tokyo</p> <p>July 1993 Associate Professor, Institute of Industrial Science, The University of Tokyo</p> <p>July 1996 Associate Professor, Department of Chemistry and Biotechnology, School of Engineering, The University of Tokyo</p> <p>April 1999 Associate Professor, Graduate School of Frontier Sciences, The University of Tokyo</p> <p>May 2000 Professor, Department of Chemistry and Biotechnology, School of Engineering, The University of Tokyo (to present)</p> <p>September 2016 President, The Japanese Liquid Crystal Society</p> <p>May 2018 President, The Society of Polymer Science, Japan</p> <p>October 2019 Deputy Director, Research Center for Water Environmental Technology, School of Engineering, The University of Tokyo (to present)</p> <p>April 2022 Member of the Board, The Asahi Glass Foundation (to present)</p> <p>March 2023 Director of the Company (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director and outline of expected roles]</p> <p>Mr. Takashi Kato has a high level of expert knowledge and experience, etc. that he has acquired as a university professor 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 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> <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>	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
6	<p>Masahiko Ito (September 1, 1957)</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1982    Joined Fujikura Electric Wire Corporation (currently Fujikura Ltd.)</p> <p>April 2013    Corporate Officer, General Manager, Superconductor Business Development Division, New Business Development Center, Fujikura Ltd.</p> <p>April 2014    Managing Corporate Officer, Deputy Chief, Power &amp; Telecommunication Systems Company and General Manager, Superconductor Business Development Division, New Business Development Center, Fujikura Ltd.</p> <p>June 2015    Managing Corporate Officer, Director and Deputy Chief, Power &amp; Telecommunication Systems Company, Fujikura Ltd.</p> <p>April 2016    Representative Director, President, Fujikura Ltd.</p> <p>April 2021    Representative Director, President &amp; CEO, Fujikura Ltd.</p> <p>April 2022    Chairman of the Board of Directors, Fujikura Ltd.</p> <p>June 2022    Chairman of the Japanese Electric Wire &amp; Cable Makers' Association</p> <p>March 2024    Director of the Company (to present)</p> <p>September 2024    Outside Director, TechnoPro Holdings, Inc. (to present)</p> <p>[Reason for selecting him/her as a candidate for Outside Director and outline of expected roles] Mr. Masahiko Ito has a high level of insight regarding the management and governance of listed companies, as well as extensive experience in corporate management, including serving as Representative Director, President &amp; CEO at Fujikura Ltd., 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 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
7	<p>Akihiko Matsuda (August 27, 1963)</p> <p>[New appointment]</p>	<p>April 1986    Joined the Company</p> <p>April 2009    Chairman, Toagosei (Zhuhai) Limited Chairman, Toagosei Hong Kong Limited</p> <p>January 2016    General Manager, Adhesive Group, Functional Chemicals Department</p> <p>January 2017    General Manager, Adhesives Department, Adhesive Material Division</p> <p>January 2020    General Manager, Consumer Product Marketing Department, Adhesive Material Division</p> <p>April 2021    General Manager, Corporate Communication Department, Group Administrative Division</p> <p>January 2025    CFO and General Manager, Group Corporate Strategy and Administration Division (to present)</p> <p>[Reason for selecting him/her as a candidate for Director] The Company selected Mr. Akihiko Matsuda as a candidate for Director because he has been involved mainly in the management of administrative division and overseas division of the Company, including as General Manager of Corporate Communication Department and representative of overseas subsidiaries, 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>	57,683

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
8	Reiko Ishiyama (September 1, 1968)  [New appointment] [Outside] [Independent]	<p>             January 2005    Joined Tokio Marine Nichido Better Life Service Co., Ltd.              June 2015        Executive Director, Japan Care Manager Association              April 2016        Specialist Officer for Care Management, Promotion Division,                                        Health and Welfare Bureau for the Elderly, Ministry of Health,                                        Labour and Welfare              April 2018        Professor, Department of Health Services Management,                                        International University of Health and Welfare Graduate                                        School (to present)              April 2019        Board Member, Japan Society of Care Management (to                                        present)              June 2022        Board Member, France Bed Home Care Foundation (to                                        present)              June 2023        Board Member, the Japanese Association of Business                                        Management for Long Term Care (to present)              June 2024        Board Member, Kanagawa Welfare Service Promotion                                        Association (to present)           </p> <p>             [Reason for selecting him/her as a candidate for Outside Director and outline of              expected roles]              Ms. Reiko Ishiyama has a high level of expert knowledge and experience, etc.              that she has acquired as a care manager and university professor in a wide range              of nursing care management fields, including policies concerning the long-term              care insurance system. The Company selected her as a candidate for Outside              Director because it is expected that she will further enhance the management              system of the Company by providing opinions and recommendations that              contribute to the improvement of corporate value based on her experience as              well as oversight from an independent perspective regarding the management              of the Company.              Although she has not been involved in corporate management, the Company              considers she will perform her duty properly as an Outside Director for the              above reasons.           </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. Takashi Kato, Masahiko Ito, and Ms. Reiko Ishiyama are candidates for Outside Directors. The Company designates Messrs. Takashi Kato and Masahiko Ito as independent officers as stipulated under the regulations of the Tokyo Stock Exchange and submitted a notification of the designation to the same Exchange. The Company will also designate Ms. Reiko Ishiyama as an independent officer and submit a notification of the designation to the same Exchange.
4. Mr. Takashi Kato is currently Outside Director of the Company. His term of office as Outside Director will have been two years at the conclusion of the meeting.
5. Mr. Masahiko Ito 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. The Company has business relationships, involving product sales and other transactions, with Fujikura Ltd., where Mr. Masahiko Ito served as Chairman of the Board of Directors until June 2024, and its Group companies. The amount of transactions, however, is less than 1% of the Company's consolidated net sales for the fiscal year ended December 31, 2024.
7. A case where a candidate for Outside Director served as a Director or Corporate Auditor of another stock company within the past five years and inappropriate business execution took place at the said stock company while the candidate was in office  
At Fujikura Ltd., where Mr. Masahiko Ito served as Chairman of the Board of Directors until June 2024, another Director, who concurrently served as CEO of a U.S. subsidiary, was found to have personally misappropriated real estate owned by the U.S. subsidiary. This incident occurred while Mr. Masahiko Ito was in office. According to a third-party investigation, no involvement of parties other than the said Director was identified.
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. Takashi Kato and Masahiko Ito. If the reelection of Messrs. Takashi Kato and Masahiko Ito is approved at the meeting, the Company intends to continue the liability limitation agreements with them. If the election of Ms. Reiko Ishiyama is approved at the meeting, the Company intends to enter into the same liability limitation agreement with her.
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" of the Business Report (available in Japanese only). The Company plans to renew said insurance agreement during their terms of office.

**Proposal 3:** Election of One (1) Director who acts as an Audit and Supervisory Committee Member

Among the five (5) incumbent Directors who act as Audit and Supervisory Committee Members, the terms of office of Ms. Kiyoko Ishiguro and Mr. Masahiko Yasuda will expire at the conclusion of the meeting. Accordingly, the Company proposes the election of one (1) Director who acts as an Audit and Supervisory Committee Member.

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

The candidate is as follows:

Name Date of Birth	Summary of Career, Positions and Responsibilities at the Company (Important Concurrent Positions Held)	Number of Shares of the Company Held
<p>Ikuko Komachiya (July 7, 1963)</p> <p>[New appointment] [Outside] [Independent]</p>	<p>April 1996 Registered as a lawyer</p> <p>April 1996 Joined Harago &amp; Partners Law Offices</p> <p>May 2002 Admitted to the New York State Bar as an attorney</p> <p>April 2006 Civil Conciliation Commissioner, Tokyo Summary Court</p> <p>April 2011 Civil Defense Instructor, Legal Training and Research Institute, The Supreme Court</p> <p>August 2017 Deputy Secretary General, Japan Federation of Bar Associations</p> <p>April 2021 Chairperson, Committee for the Investigation of Broadcasting Ethics, Broadcasting Ethics &amp; Program Improvement Organization (to present)</p> <p>July 2021 Founded Legal i Plus Law Office (to present)</p> <p>June 2024 Outside Director, SEKITOKYU KOGYO CO., LTD. (to present)</p>	<p>0</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>Ms. Ikuko Komachiya has a high level of expert knowledge and experience, etc. in legal practice that she has acquired as a lawyer. The Company selected her as a candidate for Outside Director who acts as Audit and Supervisory Committee Member because it is expected that she will 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 her experience.</p> <p>She has not been involved in corporate management other than her experience as an outside officer. However, the Company considers she will perform her duty properly as an Outside Director for the above reasons.</p>	

(Notes)

1. There are no special interests between the candidate for Director and the Company.
2. Ms. Ikuko Komachiya is a candidate for Outside Director. The Company will designate her as an independent officer as stipulated under the regulations of the Tokyo Stock Exchange and submit a notification of the designation to the same Exchange.
3. 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. If the election of Ms. Ikuko Komachiya is approved at the meeting, the Company intends to enter into the liability limitation agreement with her.
4. 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 candidate 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” of the Business Report (available in Japanese only). The Company plans to renew said insurance agreement during her term of office.

**Proposal 4:** Revision of the Amount of Remuneration for Directors (excluding Directors who act as Audit and Supervisory Committee Members)

It was approved at the 94th Ordinary General Meeting of Shareholders held on March 29, 2007, that the amount of remuneration for the Company's Directors be no more than ¥300 million per year. At the 103rd Ordinary General Meeting of Shareholders held on March 30, 2016, in conjunction with the change of the Company's corporate structure from a company with a board of corporate auditors to a company with an audit and supervisory committee, the amount of remuneration for Directors (excluding Directors who act as Audit and Supervisory Committee Members) was approved to be no more than ¥300 million per year, which is the same amount as had been previously approved, and has remained unchanged to this date.

In light of factors such as changes in economic conditions and increased roles and duties of Directors (excluding Directors who act as Audit and Supervisory Committee Members) brought on by changes in business environment since then, the Company proposes that the amount of remuneration for Directors (excluding Directors who act as Audit and Supervisory Committee Members) be revised to no more than ¥400 million per year (including remuneration for Outside Directors in the amount not exceeding ¥45 million).

As in the past, the amount of remuneration for Directors (excluding Directors who act as Audit and Supervisory Committee Members) will not include employee salaries for Directors who concurrently serve as employees.

This proposal is in line with the "Overview of policy for the determination of remuneration, etc. for individual directors" and the "Status of delegation of decision-making on the remuneration, etc. for individual directors" in the Business Report, and has been decided at a meeting of the Board of Directors in comprehensive consideration of factors such as the Company's business scale, remuneration structure, and the level of remuneration paid, based on a report submitted by the Nomination and Remuneration Committee, the majority of whose members are Outside Directors. Therefore, the Company believes this proposal to be appropriate. Additionally, the Audit and Supervisory Committee has expressed its opinion that the content of this proposal is appropriate.

If Proposal 2 "Election of Eight (8) Directors (excluding Directors who act as Audit and Supervisory Committee Members)" is approved as originally proposed, the number of Directors (excluding Directors who act as Audit and Supervisory Committee Members) will be eight (8) (including three (3) Outside Directors).

**Proposal 5:** Revision of the Amount of Remuneration for Directors who act as Audit and Supervisory Committee Members

The amount of remuneration for the Company's Directors who act as Audit and Supervisory Committee Members was approved at the 103rd Ordinary General Meeting of Shareholders held on March 30, 2016, to be no more than ¥60 million per year and has remained unchanged to this date. In light of factors such as changes in economic conditions since then and the need to sustain the level of remuneration adequate for securing excellent talents, the Company proposes that the amount of remuneration for Directors who act as Audit and Supervisory Committee Members be revised to no more than ¥80 million per year.

This proposal is in line with the "Overview of policy for the determination of remuneration, etc. for individual directors" and the "Status of delegation of decision-making on the remuneration, etc. for individual directors" in the Business Report, and has been decided at a meeting of the Board of Directors in comprehensive consideration of factors such as the Company's business scale, remuneration structure, and the level of remuneration paid, based on a report submitted by the Nomination and Remuneration Committee, the majority of whose members are Outside Directors. Therefore, the Company believes this proposal to be appropriate.

If Proposal 3 "Election of One (1) Director who acts as an Audit and Supervisory Committee Member" is approved as originally proposed, the number of Directors who act as Audit and Supervisory Committee Members will be four (4) (including three (3) Outside Directors).

(Reference)

●The Composition of the Board of Directors

If Proposal 2 and Proposal 3 are approved as originally proposed, the composition of the Company's Board of Directors will be as follows: The Company will continue to consider organizing a Board of Directors that is diverse in terms of gender, areas of experience, etc.

Name	Category	Attendance at the Board of Directors meetings in 2024 (times)	Areas of experience							
			Corporate Management / Corporate Strategy	Marketing / Sales	R&D / Technology & Production / DX	Finance / Accounting	Legal Affairs	Human Resources / Labor Management	Global	Sustainability
Mikishi Takamura		13/13	○			○		○		○
Hidenori Kobuchi		13/13	○	○	○					
Etsuzo Marumoto		10/10*1			○					○
Shoji Takayama		10/10*1	○	○						
Akihiko Matsuda		-	○	○		○			○	
Takashi Kato	[Outside]	12/13			○				○	○
Masahiko Ito	[Outside]	10/10*1	○	○	○					○
Reiko Ishiyama	[Outside]	-						○		○
Yoshihito Takahashi	Audit and Supervisory Committee Member	10/10*1			○	○		○		○
Nobuhiko Takano	Audit and Supervisory Committee Member [Outside]	13/13				○				
Toshiyuki Teramoto	Audit and Supervisory Committee Member [Outside]	10/10*1	○			○				
Ikuko Komachiya	Audit and Supervisory Committee Member [Outside]	-						○	○	○

\*1. Number of times after assuming the office of Director in March 2024

\*2. Genders of Directors: 2 female, 10 male

\*3. Attributes of Directors: 6 Inside Directors and 6 Independent Outside Directors

●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 assets 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.

●Policy on and Status of Cross-Shareholding

As announced in the “Announcement of Toagosei’s Initiatives to Improve Our Price-to-Book Ratio (PBR)” on August 4, 2023, the Company aims to reduce cross-shareholdings to less than 10% of its consolidated net assets by the end of 2025.

Based on this policy, the Company sold cross-held shares worth ¥5,373 million in 2024, an increase from the previous year’s amount. The ratio of cross-shareholdings against consolidated net assets, however, rose from the previous year to 14.0%, mainly due to increases in the prices of the shares that we hold.