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Securities code: 4043  
June 7, 2021

## To Those Shareholders with Voting Rights

Hiroshi Yokota  
Representative Director  
Tokuyama Corporation  
1-1 Mikage-cho, Shunan-shi, Yamaguchi

## Notice of Convocation of the 157th Ordinary General Meeting of Shareholders

We are pleased to announce the 157th Ordinary General Meeting of Shareholders of the Company.

**Even if you refrain from attending the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, June 24, 2021.**

### Exercise of Voting Rights in Writing (by Mail)

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it arrives by the voting deadline indicated above.

### Exercise of Voting Rights via the Internet

Access the Company's designated voting rights exercise website (<https://evote.tr.mufg.jp/>), input the login ID and temporary password indicated on the enclosed Voting Rights Exercise Form, follow the instructions on the screen, and input your approval or disapproval of the proposals by the voting deadline indicated above.

**1. Date and time:** Friday, June 25, 2021, at 10:00 a.m. (Reception opens at 9:00 a.m.)

**2. Place:** Tokuyama Corporation Culture Gymnasium  
1-1-25, Eguchi, Shunan-shi, Yamaguchi

### 3. Meeting agenda

#### Matters to be reported:

1. Report on the Business Report, the Consolidated Financial Statements for the 157th Fiscal Term (from April 1, 2020 to March 31, 2021) and the Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Report on the Non-Consolidated Financial Statements for the 157th Fiscal Term (from April 1, 2020 to March 31, 2021)

#### Matters to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal No. 3:** Election of Five (5) Directors who are Audit and Supervisory Committee Members
- Proposal No. 4:** Revision of Performance-based Stock Remuneration Program for Directors, etc.

#### 4. Decision for convocation

Please refer to the information on the exercise of voting rights.

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- \* When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception.
  - \* The following items are not provided in the appendix to the reported matters because they have been posted on the Company's website (<https://www.tokuyama.co.jp/eng/>), pursuant to the provisions of applicable laws and regulations and Article 16 of the Articles of Incorporation.
    - (1) "Systems to Ensure Appropriateness of Execution of Duties by Directors comply with Laws and Regulations and the Articles of Incorporation, Systems to Ensure Appropriateness of Other Operations, and Operational Status of the Systems" and "Basic Policy on Control of the Company"
    - (2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
    - (3) "Non-Consolidated Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements
- The Audit and Supervisory Committee and the Accounting Auditor conducted audits on the Business Report the Consolidated Financial Statements and Non-Consolidated Financial Statements when preparing the audit report and the financial audit report respectively. These statements also include the matters posted on the Company's website.
- \* If any revision is made with regard to the matters stated in the Business Report, Non-Consolidated Financial Statements, Consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders, the modified information will be shown on the website of the Company (<https://www.tokuyama.co.jp/eng/>).
  - \* Gifts will not be provided this year in consideration of the safety of shareholders as last year.
  - \* If there are any changes to how the meeting will be run, etc., the information will be posted on the website of the Company (<https://www.tokuyama.co.jp/eng/>).

## Proposals and References

### **Proposal No. 1: Appropriation of Surplus**

The Company makes payment of cash dividends to shareholders, in principle on a continuous and stable basis, while taking into consideration business performance, dividend payout ratio, and the medium-term business plan.

Meanwhile, we will appropriate internal reserves for establishing a sound financial structure in preparation for operational risks, and for making capital investments and other investments to further raise our corporate value for the future.

Based on the above policies, the Company proposes the year-end dividends for this fiscal year as follows.

1. Type of dividend property:

Dividends will be paid in cash.

2. Matters concerning the allocation of dividend property to shareholders and total amount thereof:

35 yen per share of common stock of the Company

The total amount: 2,522,709,420 yen

As the Company has paid an interim dividend of 35 yen per share for this fiscal year, this makes the annual dividend 70 yen per share.

3. Effective date of distribution of surplus

June 28, 2021

**Proposal No. 2: Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)**

The terms of office of all five (5) Directors will expire at the close of this General Meeting of Shareholders.

Accordingly, we request the election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members), lowering the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) by one (1) to enhance the agility of management. Furthermore, we confirmed that there were no matters of note expressed by the Audit and Supervisory Committee at the General Meeting of Shareholders with regard to this proposal.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

No.	Name	Current position and assignment at the Company	Attendance at meetings of the Board of Directors
1	Candidate for reelection Hiroshi Yokota	Representative Director, In charge of Chemicals, Cement, Audit Office, and Carbon Neutral Strategy, President and Executive Officer	19/19 (100%)
2	Candidate for reelection Hideo Sugimura	Representative Director, In charge of Corporate Planning, Corporate Social Responsibility, General & Personnel Affairs, Procurement & Logistics and Secretarial Dept., Senior Managing Executive Officer, General Manager, Corporate Planning Div.	19/19 (100%)
3	Candidate for reelection Hiroshi Nomura	Representative Director, In charge of Electronic Materials, Tokuyama Factory, Environment & Safety and Manufacturing Technology of Kashima Factory, Senior Managing Executive Officer, General Manager, Electronic Materials Div., General Manager, Tokuyama Factory	19/19 (100%)
4	Candidate for reelection Fumiaki Iwasaki	Director, In charge of Life Science, Eco Business, and Research & Development, Managing Executive Officer, General Manager, Research & Development Div., General Manager, Tsukuba Research Lab.	15/15 (100%)

Note: There are no special interests between the candidates and the Company.

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
1	<p data-bbox="295 421 402 450"><u>Reelection</u></p> <p data-bbox="295 472 480 539">Hiroshi Yokota (October 12, 1961)</p> <p data-bbox="295 562 576 645">Number of Company Shares Owned: 20,800 shares</p> <p data-bbox="295 674 480 734">Tenure as Director: 6 years</p> <p data-bbox="295 757 587 898">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p>	<p data-bbox="614 315 719 338">April 1985</p> <p data-bbox="614 349 719 371">April 2008</p> <p data-bbox="614 383 746 405">January 2010</p> <p data-bbox="614 416 719 439">April 2014</p> <p data-bbox="614 483 730 506">March 2015</p> <p data-bbox="614 517 715 539">June 2015</p> <p data-bbox="614 640 715 663">June 2017</p> <p data-bbox="614 730 715 752">June 2019</p> <p data-bbox="614 819 715 842">June 2020</p> <p data-bbox="614 909 715 931">April 2021</p>	<p data-bbox="815 315 1018 338">Joined the Company</p> <p data-bbox="815 349 1262 371">General Manager, Fine Chemicals Sales Dept.</p> <p data-bbox="815 383 1262 405">General Manager, Silica Products Sales Dept.</p> <p data-bbox="815 416 1358 472">Executive Officer, General Manager, Specialty Products Business Div.</p> <p data-bbox="815 483 1118 506">President and Executive Officer</p> <p data-bbox="815 517 1310 629">Representative Director, In charge of all business divisions, Corporate Planning Div., Audit Office, Secretarial Dept. and General &amp; Personnel Affairs, President and Executive Officer</p> <p data-bbox="815 640 1310 719">Representative Director, In charge of all business divisions and Audit Office, President and Executive Officer</p> <p data-bbox="815 730 1358 808">Representative Director, In charge of Chemicals, Cement, Life &amp; Amenity, Research &amp; Development, and Audit Office, President and Executive Officer</p> <p data-bbox="815 819 1326 898">Representative Director, In charge of Chemicals, Cement, Life &amp; Amenity, and Audit Office, President and Executive Officer</p> <p data-bbox="815 909 1310 987">Representative Director, In charge of Chemicals, Cement, Audit Office, and Carbon Neutral Strategy, President and Executive Officer (To present)</p>
<p data-bbox="295 1010 767 1032">Reasons for nomination as candidate for Director</p> <p data-bbox="295 1043 1353 1211">Mr. Hiroshi Yokota is responsible for the management of the Company as Representative Director and President and Executive Officer. He has experience in sales, personnel and labor issues, and information systems operations, as well as in serving as General Manager, Specialty Products Business Div. Based on this abundant operational experience and his track record in bringing to a close the rebuilding of the deteriorated financial base, actively reforming the Tokuyama Group's organizational culture and working on management strategies to achieve growth, we have determined that he is the right person to play a part in increasing the corporate value of the Tokuyama Group. Therefore we request his reelection as Director.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
2	<p data-bbox="295 622 402 656"><u>Reelection</u></p> <p data-bbox="295 674 480 741">Hideo Sugimura (October 22, 1959)</p> <p data-bbox="295 768 571 853">Number of Company Shares Owned: 2,903 shares</p> <p data-bbox="295 880 480 936">Tenure as Director: 4 years</p> <p data-bbox="295 958 584 1099">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p>	<p data-bbox="614 309 1018 342">April 1984      Joined the Company</p> <p data-bbox="614 347 1334 403">April 2004      Temporary transferred to Tokuyama Asia Pacific Pte. Ltd., President</p> <p data-bbox="614 407 1315 441">April 2007      Senior Chief, ERP Promotion Div. of the Company</p> <p data-bbox="614 445 1182 479">May 2009      Senior Chief, ISAAC Promotion Div.</p> <p data-bbox="614 483 1350 539">August 2011    Senior Chief of the Company, temporary transferred to Excel Shanon Corporation</p> <p data-bbox="614 544 1278 577">December 2014   General Manager, Management Support Center</p> <p data-bbox="614 582 1372 638">April 2015      Executive Officer, General Manager, Corporate Planning Div. of the Company</p> <p data-bbox="614 642 1278 698">April 2017      Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="614 703 1372 819">June 2017      Director, In charge of Corporate Planning Div., General &amp; Personnel Affairs and Secretarial Dept., Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="614 824 1372 940">April 2019      Director, In charge of Corporate Planning, General &amp; Personnel Affairs and Secretarial Dept., Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="614 945 1334 1086">June 2019      Director, In charge of Corporate Planning, Corporate Social Responsibility, General &amp; Personnel Affairs, Procurement &amp; Logistics and Secretarial Dept., Managing Executive Officer, General Manager, Corporate Planning Div.</p> <p data-bbox="614 1090 1372 1258">April 2020      Director, In charge of Corporate Planning, Corporate Social Responsibility, General &amp; Personnel Affairs, Procurement &amp; Logistics and Secretarial Dept., Managing Executive Officer, General Manager, Corporate Planning Div., General Manager, Procurement &amp; Logistics Div.</p> <p data-bbox="614 1263 1342 1404">April 2021      Representative Director, In charge of Corporate Planning, Corporate Social Responsibility, General &amp; Personnel Affairs, Procurement &amp; Logistics and Secretarial Dept., Senior Managing Executive Officer, General Manager, Corporate Planning Div. (To present)</p>
<p data-bbox="295 1417 775 1451">Reasons for nomination as candidate for Director</p> <p data-bbox="295 1451 1369 1608">Mr. Hideo Sugimura is responsible for the management of the Company as Representative Director and Senior Managing Executive Officer. He has worked to promote an information system, managed an overseas subsidiary, and reconstructed a domestic subsidiary. Based on this abundant operational experience and his track record in working to promote growth as the head of the Corporate Div. since he was appointed General Manager of the Corporate Planning Div. since 2015, we have determined that he is the right person to play a part in increasing the corporate value of the Tokuyama Group. Therefore we request his reelection as Director.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
3	<p data-bbox="295 510 402 542"><u>Reelection</u></p> <p data-bbox="295 564 507 631">Hiroshi Nomura (September 30, 1957)</p> <p data-bbox="295 654 577 743">Number of Company Shares Owned: 2,200 shares</p> <p data-bbox="295 766 481 824">Tenure as Director: 2 years</p> <p data-bbox="295 846 587 990">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p>	<p data-bbox="614 318 721 340">April 1983</p> <p data-bbox="614 353 721 376">April 2012</p> <p data-bbox="614 389 746 412">January 2013</p> <p data-bbox="614 452 721 474">April 2014</p> <p data-bbox="614 515 721 537">March 2015</p> <p data-bbox="614 577 721 600">April 2015</p> <p data-bbox="614 640 721 663">March 2016</p> <p data-bbox="614 730 705 752">May 2017</p> <p data-bbox="614 792 721 815">April 2018</p> <p data-bbox="614 855 705 878">June 2019</p> <p data-bbox="614 945 705 967">April 2021</p>	<p data-bbox="821 318 1018 340">Joined the Company</p> <p data-bbox="821 353 1241 376">Leader, Specialty Products Planning Group</p> <p data-bbox="821 389 1353 443">Senior Chief, T.M. Business Structural Reform Project Group, Specialty Products Planning Group</p> <p data-bbox="821 452 1321 506">Deputy Executive Officer, temporary transferred to Tokuyama Malaysia Sdn. Bhd.</p> <p data-bbox="821 515 1353 568">Deputy Executive Officer, General Manager, Specialty Products Business Div. of the Company</p> <p data-bbox="821 577 1369 631">Executive Officer, General Manager, Specialty Products Business Div.</p> <p data-bbox="821 640 1369 721">Executive Officer, General Manager, Specialty Products Business Div., temporary transferred to Tokuyama Malaysia Sdn. Bhd., President</p> <p data-bbox="821 730 1369 784">Executive Officer, General Manager, Specialty Products Business Div. of the Company</p> <p data-bbox="821 792 1289 846">Managing Executive Officer, General Manager, Specialty Products Business Div.</p> <p data-bbox="821 855 1369 936">Director, In charge of Specialty Products, Managing Executive Officer, General Manager, Specialty Products Business Div.</p> <p data-bbox="821 945 1375 1115">Representative Director, In charge of Electronic Materials, Tokuyama Factory, Environment &amp; Safety and Manufacturing Technology of Kashima Factory, Senior Managing Executive Officer, General Manager, Electronic Materials Div., General Manager, Tokuyama Factory (To present)</p> <p data-bbox="614 1124 1136 1178">(Principal Concurrent Positions) Chairman, Tokuyama Chemicals (Zhejiang) Co., Ltd.</p>
<p data-bbox="295 1191 778 1214">Reasons for nomination as candidate for Director</p> <p data-bbox="295 1223 1369 1402">Mr. Hiroshi Nomura is responsible for the management of the Company as Representative Director and Senior Managing Executive Officer. He has operational experience in the areas of polysilicon manufacturing, specialty products planning, and management of overseas subsidiaries. Based on the wealth of knowledge he has gained from his experience, and his track record of being actively engaged in business promotion such as electronic materials field and responsibility as a factory manager, we have determined that he is the right person to play a part in increasing the corporate value of the Tokuyama Group. Therefore we request his reelection as Director.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
4	<p data-bbox="312 499 419 528"><u>Reelection</u></p> <p data-bbox="312 551 478 611">Fumiaki Iwasaki (June 21, 1960)</p> <p data-bbox="312 645 592 723">Number of Company Shares Owned: 1,242 shares</p> <p data-bbox="312 757 504 813">Tenure as Director: 1 year</p> <p data-bbox="312 835 608 969">Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 15/15 (100%)</p> <p data-bbox="312 1003 608 1059">Note: Attendance since assuming office in June 2020.</p>	<p data-bbox="639 297 746 320">April 1986</p> <p data-bbox="639 342 746 365">April 2007</p> <p data-bbox="639 398 746 421">April 2010</p> <p data-bbox="639 465 746 488">April 2012</p> <p data-bbox="639 521 770 544">October 2015</p> <p data-bbox="639 622 746 645">April 2016</p> <p data-bbox="639 656 746 678">April 2017</p> <p data-bbox="639 745 746 768">July 2017</p> <p data-bbox="639 835 794 857">November 2018</p> <p data-bbox="639 925 746 947">April 2020</p> <p data-bbox="639 1014 746 1037">June 2020</p> <p data-bbox="639 1137 746 1160">April 2021</p>	<p data-bbox="799 297 1026 320">Joined the Company</p> <p data-bbox="799 342 1342 387">General Manager, Advanced Materials Development Dept.</p> <p data-bbox="799 409 1265 454">Deputy General Manager, Specialty Products Development Dept. (Tsukuba)</p> <p data-bbox="799 477 1358 521">General Manager, Kashima Factory, General Manager, Fine Chemicals Manufacturing Dept.</p> <p data-bbox="799 544 1374 611">General Manager, Kashima Factory, General Manager, Fine Chemicals Manufacturing Dept., General Manager, MA Dept.</p> <p data-bbox="799 633 1106 656">General Manager, MA Dept.</p> <p data-bbox="799 678 1305 745">Executive Officer, General Manager, Research &amp; Development Div., General Manager, Corporate Development Dept., General Manager, MA Dept.</p> <p data-bbox="799 768 1374 835">Executive Officer, General Manager, Research &amp; Development Div., General Manager, Tsukuba Research Lab., General Manager, MA Dept.</p> <p data-bbox="799 857 1374 925">Executive Officer, General Manager, Research &amp; Development Div., General Manager, Tsukuba Research Lab.</p> <p data-bbox="799 947 1310 1014">Managing Executive Officer, General Manager, Research &amp; Development Div., General Manager, Tsukuba Research Lab.</p> <p data-bbox="799 1037 1310 1126">Director, In charge of Research &amp; Development, Managing Executive Officer, General Manager, Research &amp; Development Div., General Manager, Tsukuba Research Lab</p> <p data-bbox="799 1149 1374 1238">Director, In charge of Life Science, Eco Business, and Research &amp; Development, Managing Executive Officer, General Manager, Research &amp; Development Div., General Manager, Tsukuba Research Lab. (To present)</p>
<p data-bbox="312 1261 794 1283">Reasons for nomination as candidate for Director</p> <p data-bbox="312 1294 1358 1417">Mr. Fumiaki Iwasaki is responsible for the management of the Company as Director and Managing Executive Officer. Based on the abundant experience he has gained in the field of research and development and manufacturing technology, and his track record of actively working to promote new research and development, we have determined that he is the right person to play a part in increasing the corporate value of the Tokuyama Group. Therefore we request his reelection as Director.</p>			



### **Proposal No. 3: Election of Five (5) Directors who are Audit and Supervisory Committee**

#### **Members**

The terms of office of all four (4) Directors who are Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders.

Accordingly, we request the election of five (5) Directors who are Audit and Supervisory Committee Members, increasing the number of Directors who are Audit and Supervisory Committee Members by one (1) to further strengthen supervisory function of the Board of Directors.

The Audit and Supervisory Committee has given its consent to the submission of this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name	Current position and assignment at the Company	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
1	Candidate for reelection Youji Miyamoto	Director (Audit & Supervisory Committee Chair)	19/19 (100%)	24/24 (100%)
2	Candidate for reelection Shin Kato	External Director (Audit and Supervisory Committee Member)	19/19 (100%)	24/24 (100%)
3	Candidate for reelection Yuzo Kawamori	External Director (Audit and Supervisory Committee Member)	19/19 (100%)	23/24 (96%)
4	Candidate for reelection Naoki Matsumoto	External Director (Audit and Supervisory Committee Member)	19/19 (100%)	24/24 (100%)
5	New candidate Nobuko Mizumoto	—	—	—

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
1	<p><u>Reelection</u></p> <p>Youji Miyamoto (January 22, 1958)</p> <p>Number of Company Shares Owned: 1,600 shares</p> <p>Tenure as Director: 4 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p> <p>Attendance at meetings of the Audit &amp; Supervisory Committee during the fiscal year ended March 31, 2021: 24/24 (100%)</p>	<p>April 1980      Joined the Company</p> <p>April 2005      General Manager, Accounting Dept.</p> <p>October 2007    Senior Chief, Management Support Center (Tokuyama)</p> <p>October 2011    General Manager, Foreign Trade Control Dept.</p> <p>June 2013      Senior Chief, Corporate Social Responsibility Div.</p> <p>June 2013      Audit &amp; Supervisory Board Member</p> <p>June 2017      Director (Audit and Supervisory Committee Member)</p> <p>June 2019      Director (Audit &amp; Supervisory Committee Chair) (To present)</p> <p>(Principal Concurrent Positions)</p> <p>Auditor, ASTOM Corporation</p> <p>Auditor, Tokuyama Dental Corporation</p> <p>Audit and Supervisory Board Member, A&amp;T Corporation</p>
<p>Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member</p> <p>Mr. Youji Miyamoto is supervising the management properly as a Director who is an Audit and Supervisory Committee Member. He has a high degree of expertise in finance and accounting gained through his years of accounting operation at the Company, and has been supervising the management as an Audit &amp; Supervisory Board Member of the Company from 2013 and as a Director who is an Audit and Supervisory Committee Member from 2017. For this reason, we have determined that he is the right person as a Director who is an Audit and Supervisory Committee Member. Therefore we request his reelection.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions
2	<p><u>Reelection</u></p> <p><u>Candidate for External Director</u></p> <p>Shin Kato (June 27, 1961)</p> <p>Number of Company Shares Owned: 1,500 shares</p> <p>Tenure as Director: 4 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p> <p>Attendance at meetings of the Audit &amp; Supervisory Committee during the fiscal year ended March 31, 2021: 24/24 (100%)</p>	<p>April 1990      Registered as Lawyer Hiranuma Law Office</p> <p>April 1995      Aoyama Central Law Office</p> <p>September 2001      South Toranomom Law Office</p> <p>June 2013      Audit &amp; Supervisory Board Member of the Company</p> <p>January 2014      Representative lawyer, Kato Law Office (To present)</p> <p>June 2017      Director (Audit and Supervisory Committee Member) of the Company (To present)</p> <p>(Principal Concurrent Positions) Representative Lawyer, Kato Law Office</p>
<p>Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and Overview of the expected role.</p> <p>Mr. Shin Kato has not been involved in the corporate management other than by being an external director or an external auditor. However, he has properly supervised the management of the Company as an External Director who is an Audit and Supervisory Committee Member from a professional perspective and abundant experience as an attorney at law. He is expected to continue to properly supervise the management of the Company and to actively give useful opinions and advice based on his advanced expertise and insight. We have determined that he is the right person as a Director who is an Audit and Supervisory Committee Member. Therefore we request his reelection.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
3	<p><u>Reelection</u></p> <p><u>Candidate for External Director</u></p> <p>Yuzo Kawamori (July 25, 1947)</p> <p>Number of Company Shares Owned: 100 shares</p> <p>Tenure as Director: 2 years</p> <p>Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)</p> <p>Attendance at meetings of the Audit &amp; Supervisory Committee during the fiscal year ended March 31, 2021: 23/24 (96%)</p>	<p>April 1971</p> <p>October 2000</p> <p>June 2002</p> <p>June 2005</p> <p>June 2007</p> <p>April 2010</p> <p>April 2013</p> <p>June 2013</p> <p>June 2017</p> <p>June 2019</p>	<p>Joined Kansai Paint Co., Ltd.</p> <p>Deputy General Manager, Sales Dept., International Business Div.</p> <p>Director, General Manager, International Business Div.</p> <p>Managing Director, Supervision of Sales, Painting Business Dept. (automotive painting and industrial painting), General Manager, Sales Planning Administration Div., General Manager, International Business Div.</p> <p>Senior Managing Director, Supervision of Sales, Painting Business Dept. (automotive painting and industrial painting), General Manager, Sales Planning Administration Div., General Manager, International Business Div.</p> <p>Representative Director and President</p> <p>Representative Director</p> <p>Advisor</p> <p>Honorary Councilor (To present)</p> <p>Director (Audit and Supervisory Committee Member) of the Company (To present)</p>
	<p>Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and Overview of the expected role.</p> <p>Mr. Yuzo Kawamori provides appropriate supervision and useful advice to the management of the Company as an External Director who is an Audit and Supervisory Committee Member, based on his abundant experience and broad insight in the manufacturing industry as a corporate manager. He is expected to continue to properly supervise the management of the Company and to actively give useful opinions and advice on our business promotion including overseas business based on his advanced expertise and insight. For this reason, we have determined that he is the right person as a Director who is an Audit and Supervisory Committee Member. Therefore we request his reelection.</p>		

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
4	<u>Reelection</u>	April 1975	Joined The Sanwa Bank, Ltd.
	<u>Candidate for External Director</u>	January 2002	Executive Officer, UFJ Bank Limited
	Naoki Matsumoto (April 1, 1953)	June 2004	Managing Executive Officer
	Number of Company Shares Owned: 300 shares	October 2005	Managing Executive Officer, Deputy General Manager, Retail Consolidated Business Headquarters, Mitsubishi UFJ Financial Group, Inc.
	Tenure as Director: 2 years	January 2006	Managing Executive Officer, Deputy General Manager, Retail Div., The Bank of Tokyo-Mitsubishi UFJ, Ltd.
	Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: 19/19 (100%)	June 2007	Representative Director, Senior Executive Officer, JCB Co., Ltd.
	Attendance at meetings of the Audit & Supervisory Committee during the fiscal year ended March 31, 2021: 24/24 (100%)	April 2011	Representative Director, Vice President and Executive Officer
		June 2012	President and Director, Toyo Carmax Corporation
		June 2016	President and CEO, MST Insurance Service Co., Ltd.
		June 2019	Advisor
	June 2019	Director (Audit and Supervisory Committee Member) of the Company (To present)	
<p>Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and Overview of the expected role.</p> <p>Mr. Naoki Matsumoto provides appropriate supervision and useful advice to the management of the Company as an External Director who is an Audit and Supervisory Committee Member, based on his abundant experience and broad insight as corporate manager in financial institutions. He is expected to continue to properly supervise the management of the Company and to actively give useful opinions and advice based on his knowledge on finance and accounting and insights on finance and other economics in general. For this reason, we have determined that he is the right person as a Director who is an Audit and Supervisory Committee Member. Therefore we request his reelection.</p>			

No.	Name (Date of birth)	Career Summary, Position, Assignment and Principal Concurrent Positions	
5	<div style="border: 1px solid black; padding: 2px;">New Candidate</div> <div style="border: 1px solid black; padding: 2px;">Candidate for External Director</div> Nobuko Mizumoto (March 31, 1957)  Number of Company Shares Owned: 0 share  Tenure as Director: —  Attendance at meetings of the Board of Directors during the fiscal year ended March 31, 2021: —  Attendance at meetings of the Audit & Supervisory Committee during the fiscal year ended March 31, 2021: —	April 1982	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)
		July 2004	General Manager of TX Preparation Division
		April 2006	General Manager of New Business Creation Group, Corporate Planning Division
		October 2008	General Manager of Recruit Group, Human Resources Division
		April 2012	General Manager of Corporate Social Responsibility Division
		April 2014	Executive Officer, General Manager of Group Business Process Platform Control Division
		April 2016	Executive Officer, General Manager of Procurement Strategy Planning
		April 2017	Managing Executive Officer, General Manager, Procurement Strategy Planning
		April 2018	Managing Executive Officer, General Manager of Intelligent Information Management Headquarters
		June 2018	Director, Managing Executive Officer, General Manager of Intelligent Information Management Headquarters
		April 2020	Director
		July 2020	Advisor (Executive Fellow)
April 2021	Advisor (To present)		
		(Principal Concurrent Positions) Outside Director, Taikisha Ltd. (Scheduled to assume office in June 2021)	
Reasons for nomination as candidate for External Director who is an Audit and Supervisory Committee Member and Overview of the expected role. After experience as a researcher in the manufacturing industry, Ms. Nobuko Mizumoto has gained a wide and abundant experience as a manager through her career in major posts in the head office divisions. For this reason, we newly propose her election as an External Director who is an Audit and Supervisory Committee Member as we expect her to offer appropriate supervision and provide invaluable advice on the management by utilizing the abundant experience and advanced insight.			

Note: The name of Ms. Nobuko Mizumoto in the family register is Nobuko Saita.

Notes:

1. The four (4) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, Mr. Naoki Matsumoto, and Ms. Nobuko Mizumoto are candidates for External Directors.
2. There are no special interests between the five (5) candidates, Mr. Youji Miyamoto, Mr. Shin Kato, Mr. Yuzo Kawamori, Mr. Naoki Matsumoto, and Ms. Nobuko Mizumoto—and the Company.
3. The four (4) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, Mr. Naoki Matsumoto, and Ms. Nobuko Mizumoto are not planning to receive a large amount of money or other assets from the Company or a business with a specified relationship with the Company, nor have they received these in the past two years.
4. The four (4) candidates, Mr. Shin Kato, Mr. Yuzo Kawamori, Mr. Naoki Matsumoto, and Ms. Nobuko Mizumoto are not a spouse or relative within the third degree of consanguinity or of similar status of an executive or officer of the Company or a business with a specified relationship with the Company, or the like.

5. Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto are currently External Directors of the Company. Mr. Shin Kato will have served four (4) years and Mr. Yuzo Kawamori and Mr. Naoki Matsumoto will have served two (2) years as External Auditor of the Company at the close of this General Meeting of Shareholders.
6. The Company has concluded agreements with Mr. Youji Miyamoto, Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit the amount of their liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act. Pursuant to the agreement, the amount of liability to damages shall be the minimum amount provided for by the laws and regulations. The Company will continue the said agreement if their election as External Directors is approved. The Company will also conclude an agreement having similar contents with Ms. Nobuko Mizumoto if her election as External Directors is approved.
7. The Company has notified the Tokyo Stock Exchange that Mr. Shin Kato, Mr. Yuzo Kawamori, and Mr. Naoki Matsumoto are independent officers in accordance with its Securities Listing Regulations. After their election is approved, they will continue to be notified as independent officers. In addition, if the election of Ms. Nobuko Mizumoto is approved, the Company intends to make the same notification to the Tokyo Stock Exchange.

- Regarding the directors and officers liability insurance policy for the candidates for Proposals No. 2 and No. 3.

The Company has entered into a directors and officers liability insurance policy, whose content is summarized below, so that officers can fully fulfill their expected roles in the execution of their duties. We plan to renew the contract in July 2021. Among the candidates for Director in this proposal, those candidates for reelection are already the insured under the policy, and will continue to be such after their election. Moreover, those candidates for new election will become the insured after their election.

#### Directors and Officers Liability Insurance Contents Overview

- 1) Actual portion of insurance premiums borne by the insured  
The insurance premiums, including those for special clauses, are borne by the Company, and there are no insurance premiums actually borne by the insured.
- 2) Summary of insurance incidents covered  
The policy, including special clauses, covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties as director or officer, receipt of claims pertaining to the pursuit of such liability, or court costs. However, there are

certain reasons for coverage exclusion, such as performance of an illegal act with full knowledge of its illegality.

- 3) Measures to prevent the appropriateness of the duties of directors or officers from being impaired

The deductible clause is established in the policy, whereby losses within the deductible are not covered by the policy.



**Proposal No. 4: Revision of Performance-based Stock Remuneration Program for Directors, etc.**

1. Reason for Proposal and Reason that the Remuneration, etc., is Appropriate

With the approval of shareholders at the 154th Ordinary General Meeting of Shareholders held on June 22, 2018, the Company has introduced the performance-based stock remuneration program (hereinafter “the Program”) for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members, Non-executive Directors, External Directors, and persons not resident in Japan) and Executive Officers (excluding persons not resident in Japan; hereinafter collectively referred to with Directors as “Directors, etc.”) that will conduct delivery of the Company’s shares in accordance with the level of achievement of business performance targets in the Company’s Medium-Term Management Plan and other factors.

We have newly formulated the Medium-Term Management Plan 2025, and with the aim of achieving the goals of the plan and further increasing the motivation of directors to contribute to improving the Group’s medium- to long-term business performance and corporate value, we will consult this proposal with the General Meeting of Shareholders in order to review the evaluation indicators of the Program and make necessary changes for the continuation of the Program.

At the Board of Directors meeting held in February 2021, the Company decided on a decision policy regarding the content of individual remuneration for Directors, etc., and the outline is as described on page 41 of the Business Report (Japanese only). We do not plan to change this policy because it will be considered appropriate as a policy when this proposal is passed. This proposal is necessary and reasonable to grant individual remuneration for Directors in line with the policy. In addition, as described in 2. (2) below, the upper limit of points given to Directors, etc. during the applicable period, which is defined in 2. (2), is the number of points obtained by multiplying 40,000 points (equivalent to 40,000 shares) by the number of years of the applicable period and the ratio to the total number of issued shares of the Company (as of March 31, 2021 after deduction of the treasury shares) will be approximately 0.28% or less. Therefore, we believe that the content of this proposal is appropriate. Furthermore, the revision of the Program has been deliberated upon in the Human Resources Committee, which consists of a majority of External Directors as committee members.

This proposal is about providing stock remuneration to Directors, etc., in a framework separate from the annual limit (up to 560 million yen per year) for Directors (excluding Directors who are Audit and Supervisory Committee Members) that was approved at the 153rd Ordinary General Meeting of Shareholders held on June 23, 2017.

The number of Directors of the Company subject to the Program will be four (4) if Proposal 2: Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members) is approved as originally proposed. Additionally, as stated above, Executive Officers

are also subject to the Program (the number of Executive Officers not concurrently serving as Directors subject to the Program as of the close of this General Meeting of Shareholders will be eight (8)). Although remuneration based on the Program includes remuneration for Executive Officers, in view of the possibility that said Executive Officers may newly become appointed as Directors during the applicable period, this proposal proposes amounts and contents for overall remuneration under the Program as remuneration, etc., for Directors, etc. This proposal was examined by the Audit and Supervisory Committee, but there were no matters of note expressed.

## 2. Amount of Remuneration and Maximum Number of Shares Under the Program

### (1) Overview of the Program

The Program is a stock-based remuneration program in which a trust established by the Company (hereinafter “the Trust”) will acquire the Company’s shares, utilizing the remuneration for Directors, etc., contributed by the Company as funds, and the Company’s shares and cash equivalent to the conversion amount of the Company’s shares (hereinafter “the Company’s shares, etc.”) will be delivered or paid to Directors, etc. through the Trust. In order to continue, we will partially revise the previous contents of the Program. The revised contents of the Program are as shown in (2) below and thereafter.

<p>1) Persons eligible for the delivery or payment of the Company’s shares, etc., under this proposal</p>	<ul style="list-style-type: none"> <li>• Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members, Non-executive Directors, External Directors, and persons not resident in Japan)</li> <li>• Executive Officers of the Company (excluding persons not resident in Japan)</li> </ul>
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2) Effect that the Company's shares subject to this proposal will have on the total number of issued shares	
Maximum Amount of Cash to be Contributed by the Company (as shown in (2) below)	<ul style="list-style-type: none"> <li>• The amount will be 120 million yen multiplied by the number of years in the applicable period.</li> <li>• The maximum amount for the first five fiscal years of the Applicable Period after the extension will be 600 million yen (the applicable period will be the five fiscal years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026).</li> </ul>
The maximum number of the Company's shares, etc., to be delivered or paid, to Directors, etc. (as shown in (3) below) and the acquisition method for the Company's shares (as shown in (2) below).	<ul style="list-style-type: none"> <li>• The number of shares will be the number equivalent to 40,000 points, which is equivalent to 40,000 shares, multiplied by the number of years in the applicable period.</li> <li>• The ratio of the shares of maximum number of deliverable shares above to the total number of issued shares of the Company is approximately 0.28% (as of March 31, 2021; after deduction of the treasury shares).</li> <li>• As the Trust will acquire the Company's shares on the stock market, dilution will not occur.</li> </ul>
3) Content of business result achievement conditions (as shown in (3) below)	<ul style="list-style-type: none"> <li>• Variable within the range of 0-150% based on the level of achievement of consolidated operating profit and other business performance targets of the applicable period</li> </ul>
4) Timing of delivery or payment of the Company's shares, etc., to Directors (as shown in (4) below)	<ul style="list-style-type: none"> <li>• After conclusion of the applicable period, in principle</li> </ul>

(2) Maximum Amount of Cash to be Contributed by the Company

The period applicable to the Program will be fiscal years subject to Medium-Term Management Plans defined by the Company (hereinafter "Plan Periods"). Additionally, the first Plan Period after extension will be the five fiscal years from the fiscal year ending March 31, 2022 to the fiscal year ending March 31, 2026.

During the Plan Periods, the Company will entrust money of 120 million yen multiplied by the number of years in the Plan Period or less (600 million yen for the first five fiscal years of the Plan Period after the extension) to establish a trust for the period of the corresponding Plan Period with Directors, etc., who satisfy the beneficiary conditions as beneficiaries. In accordance with the directions of the trust administrator, the Trust will acquire the Company's shares from the stock market in lump, using the money entrusted as funds. During the Plan Period, the Company will allot points (as shown in (3) below) to Directors, etc., who meet certain beneficiary requirements, to conduct delivery or payment of the

Company's shares, etc., from the Trust corresponding to the number of points allotted at a certain predefined timing.

When the trust period expires, the Company may continue the Trust by amending the trust agreement and making additional entrustments as a substitute for establishment of the new Trust. In this case, a number of years corresponding to the Medium-Term Management Plan at that time shall be the new Plan Period and the trust period of the Trust will be extended by the same period as the new Plan Period. For each extended trust period, the Company plans to make an additional entrustment of 120 million yen multiplied by the number of years in the new Plan Period or less. However, when making these additional contributions, if there are the Company's shares (excluding the Company's shares corresponding to points granted to Directors, etc., whose delivery or payment is incomplete) and money remaining in the trust assets on the final day of the trust period prior to extension (hereinafter "Remaining Shares, etc."), the total amount of the monetary amount of the Remaining Shares, etc., and any trust money additionally contributed shall be 120 million yen multiplied by the number of years in the new Plan Period or less.

(3) Maximum Number of the Company's Shares, etc. to be Delivered or Paid to Directors, etc.

At a certain time every year during the trust period, points calculated based on the following calculation formula (hereinafter "Base Points") shall be granted to Directors, etc., in accordance with their rank, and at a certain time immediately following the final day of the final fiscal year in the Plan Period (scheduled in June 2026 for the first Plan Period after extension), the number of the Company's shares to be delivered or paid shall be determined based on the number of points (hereinafter "Number of Share Conversion Points") calculated by multiplying the Base Points accumulated during the trust period (hereinafter "Accumulated Number of Points") by the performance-linked coefficient. However, Base Points will not be granted in the year in which no dividend is paid.

The performance-linked coefficient shall be determined with the range of 0 to 150% based on the level of achievement of business performance targets using cumulative consolidated operating profit and other performance indicators in the Plan Period. The target for cumulative consolidated operating income for the five fiscal years up to the fiscal year ending March 31, 2026 is 162.0 billion yen based on the Medium-Term Management Plan 2025. Targets for the fiscal years ending March 31, 2027 or after will be set separately by the Board of Directors based on the Medium-Term Management Plan at that time.

<<Calculation formula for Base Points>>

Base amount of share-based remuneration determined by rank  $\div$  Average closing price of the Company's shares on the Tokyo Stock Exchange during the month before the first month of the Plan Period (any fractions less than one shall be discarded).

One (1) point shall equal one (1) share of the Company, and fractions less than one point shall be discarded. However, if a share split, share consolidation, etc., of the Company's shares is conducted during the trust period, the number of the Company's shares per point and the total maximum number of the Company's shares, etc. to be delivered or paid from the Trust shall be adjusted in accordance with the split ratio, consolidation ratio, etc., of the Company's shares.

If a director, etc. retires (excluding retirement due to death) during the trust period, the number of shares to be delivered, etc. will be determined by calculating the Number of Share Conversion Points by multiplying the Accumulated Number of Points by the performance-linked coefficient according to the performance achievement status up to that time. If a director, etc. retires due to death or is posted overseas, the number of shares to be delivered, etc. will be determined by taking the Accumulated Number of Points at that time as the Number of Share Conversion Points.

The maximum Number of Share Conversion Points to be allotted to Directors, etc., during the trust period of the Trust will be 40,000 points multiplied by the number of years in the Plan Period, and the maximum number of the Company's Shares, etc., that Directors, etc., may receive during the trust period of the Trust will be a number of shares corresponding to said maximum number of points (hereinafter the "Maximum Number of Deliverable Shares"). As a result, the Maximum Number of Deliverable Shares corresponding to the first period after extension that covers five fiscal years will be 200,000 shares (if one (1) point corresponds to one (1) share of the Company's shares). The said Maximum Number of Deliverable Shares was decided based on money to be contributed by the Company described in above (2) in consideration of the share price, etc., at the time when the Board of Directors of the Company had decided to submit the proposal for the introduction of this program to the 154th Ordinary General Meeting of Shareholders (as of May 2018). If the Trust is continued as described in the above (2), the Maximum Number of Deliverable Shares during the extended trust period shall be a number of shares equivalent to 40,000 shares multiplied by the number of years in the new Plan Period.

#### (4) Timing, Method, or Conditions of Delivery or Payment of Shares to Directors

The timing of delivery or payment of the Company's Shares, etc., to Directors, etc., who meet the beneficiary conditions specified separately, i.e. being eligible for the program on the last day of the business year of the Plan Period, retiring from Directors, etc. due to the expiration of the term of office, dying or becoming a non-resident of Japan during the term of office, or having no record of misconduct, shall be after the conclusion of the Plan Period, in principle, but a certain period after the retirement if the Director, etc. retires during the

trust period.

Directors, etc., who fulfill the beneficiary conditions will receive delivery from the Trust of a number of the Company's shares corresponding to 70% of the Number of Share Delivery Points (shares less than one unit will be rounded down), and shall receive payment of cash equivalent to the conversion amount of the number of the Company's shares corresponding to the remaining Number of Share Delivery Points, after conversion in the Trust. In principle, Directors, etc. shall continuously hold the Company's shares that have been delivered until they retire from office of Director or Executive Officer.

In the event that a Director, etc., dies during the trust period, his or her heir shall receive payment of cash equivalent to the conversion amount of the number of the Company's shares corresponding to the Number of Share Delivery Points calculated at that point, after conversion in the Trust. In addition, if a Director, etc., is transferred overseas during the trust period, he or she shall receive payment from the Trust, by the date of his or her transfer overseas, of cash equivalent to the conversion amount of the Company's shares equivalent to the Number of Share Conversion Points calculated at that point.

(5) Voting Rights of the Company's Shares in the Trust

In order to ensure neutrality toward management, voting rights for the Company's shares in the Trust will not be exercised during the trust period.

(6) Treatment of Dividends of the Company's Shares in the Trust

Dividends from the Company's shares in the Trust shall be received by the Trust and used for the trust fees and trust expenses of the Trust. After use for trust compensation and trust expenses there exist residual dividends at the time the Trust ends, they will revert to the Company within the range of the reserve fund for trust expenses, the balance after deducting the share acquisition funds from the trust money, and any amount that exceeds the reserve fund for trust expenses will be donated to an organization with no special interests with the Company.

(7) Other Contents of the Program

Other contents of the Program shall be determined by the Board of Directors upon establishment of the Trust, amending the trust agreement, and making additional contributions to the Trust.

(Reference)

For details concerning the Program, please also see "Notice Concerning Renewal and Partial Revision of Performance-linked Share-based Remuneration Plan for Directors, etc. of Tokuyama Corporation" posted on the Company's website (<https://www.tokuyama.co.jp/eng/>).