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(Security Code 4082)
June 1, 2021

To Shareholders with Voting Rights:

Tsuyoshi Inoue
Representative Director, Member of the Board; President, Executive Officer
Daiichi Kigenso Kagaku Kogyo Co., Ltd.
4-4-9, Kitahama, Chuo-ku, Osaka

NOTICE OF THE 65TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

Please be informed that the 65th Annual General Meeting of Shareholders of Daiichi Kigenso Kagaku Kogyo Co., Ltd. (the "Company") will be held as described below.

Instead of attending the meeting, you can exercise your voting rights in writing or via electromagnetic means (such as the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by following the Guide to Exercising Voting Rights on page 3 by 5:30 p.m. on Monday, June 21, 2021, Japan time.

1. **Date and Time:** Tuesday, June 22, 2021 at 10:00 a.m. Japan time (reception starts at 9:30 a.m.)

2. **Place:** 1-20 Oyodo-Naka 1-Chome, Kita-ku, Osaka
The Westin Osaka (banquet room Karin on the 4th floor)
(Please refer to the "Access to the Venue of General Meeting of Shareholders" attached at the end of this document.)

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 65th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 65th Fiscal Year (April 1, 2020 - March 31, 2021)

Proposals to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation
Proposal 2: Election of Six Directors
Proposal 3: Election of One Substitute Audit & Supervisory Board Member

Courtesy gifts to attending shareholders are abolished. We ask for your kind understanding.

Information on the 65th Annual General Meeting of Shareholders

For the 65th Annual General Meeting of Shareholders, the Company has decided to hold the Meeting at a venue with less capacity as was the case last year in order to prevent infection and spread of the novel coronavirus (COVID-19), placing the utmost priority on our shareholders' health and safety.

For that reason, the Company may not be able to provide sufficient seating to accommodate all shareholders who attend the Meeting. If all seats are occupied on your arrival, we sincerely offer our apologies for the inconvenience and ask for your understanding.

We also kindly encourage our shareholders to vote in writing or via electromagnetic means (such as the Internet) ahead of time whenever possible.

* Notes and Requests

・ There is concern about spread of the novel coronavirus infection. If you plan to attend the Meeting, please make sure to find updated information about the outbreak situation and check your health condition on the day of the Meeting before you visit the venue.
In addition, at the venue of the Meeting, attendees may be requested to take preventive measures such as wearing a face covering. We appreciate your cooperation.
Should any significant change be made to the operation of the Meeting depending on the pandemic situation going forward, we will make an announcement on the following website:
https://www.dkkk.co.jp/ (Japanese only)

・ Operating staff members of the Meeting will also be wearing a face mask during the event.
We appreciate your understanding and cooperation.

・ We will place alcohol disinfectant sprays at multiple locations including the vicinity of the entrance of the venue. We kindly ask you to sanitize your hands using them before you enter the venue.

・ If you feel ill or get sick at the venue, please give notice to reception staff.

We apologize for any inconvenience this may cause our shareholders, and we greatly appreciate your understanding.

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Guide for Shareholders Who Wish to Ask Questions

The Company will accept questions in advance through one of the following methods.
Of the questions received, those that we believe will be of great interest to shareholders will be discussed at the General Meeting of Shareholders.

Please access the dedicated question website from the URL or QR Code, and fill in the "Inquiry Form."
URL: https://q.srdb.jp/4082/
QR Code:

Deadline for questions: **Monday, June 14, 2021, by 5:30 p.m. (Japan time)**

*Please note that we will not respond to individual inquiries received in advance.
*Questions that could not be addressed at the General Meeting of Shareholders will be used for future reference.
*Any costs arising from accessing the question website (Internet connection fees, telecommunication fees, etc.) shall be the responsibility of shareholders.

Guide to Exercising Voting Rights

Exercising voting rights by attending the Meeting in person

Please submit the enclosed Voting Rights Exercise Form at the reception desk.
(Reception will be opened at 9:30 a.m.)
Please also bring this notice with you on the day.
Please be advised that persons other than shareholders (e.g., a proxy who is not a shareholder, non-shareholder accompanying a shareholder) are not allowed to attend the General Meeting of Shareholders.

Exercising voting rights in writing

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form, and send the Form back so that it will be received **no later than 5:30p.m. on Monday, June 21, 2021 (Japan time).**

Exercising voting rights via the Internet

Please access the Voting Right Exercise Website designated by the Company and indicate your vote for or against the proposals **by 5:30 p.m. on Monday, June 21, 2021 (Japan time).**
Please refer "Guide to Exercising Voting Rights via the Internet" in the Japanese version of this document.

* For multiple exercise of voting rights:
(1) If voting rights are exercised both in writing and via the Internet, only the exercise via the Internet shall be treated as valid.
(2) If voting rights are exercised multiple times via the Internet, the last exercise will be treated as valid. If voting rights are exercised more than once on your computer, smartphone or mobile phone, the last exercise will be treated as valid.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments
   (1) Amendment to the objectives
   In order to further clarify the business description, the Company proposes to change the business objectives provided in Article 2 (Objectives) of the current Articles of Incorporation.
   (2) Deletion of provisions for securing the venue of the General Meeting of Shareholders
   In view of securing the venue of the General Meeting of Shareholders, the Company proposes to delete Article 12 of the current Articles of Incorporation, which limits the location of the venue of the General Meeting of Shareholders.
   (3) Amendment to provisions on the person who convenes and chairs the General Meeting of Shareholders
   In order to clarify job responsibilities, the Company proposes to make necessary changes in Article 13 (Person Who Convenes and Chairs the General Meeting of Shareholders) of the current Articles of Incorporation.
   (4) Amendment in line with the introduction of the executive officer system
   On June 24, 2020, the Company introduced the executive officer system for the purpose of efficient business execution and speedy decision-making. Accordingly, the System is also to be clarified in the Articles of Incorporation. In addition to a change in the number of Directors from “not exceeding twelve” to “not exceeding eight” in Article 19 of the current Articles of Incorporation, the Company proposes to abolish Directors with titles, i.e. Senior Managing Directors and Managing Directors, in Article 22. The Company also proposes to change the title of President to Representative Director, Member of the Board; President, Executive Officer, in Article 23, and change subsequent Articles in the same way. Furthermore, the Company proposes to newly establish provisions regarding Executive Officers in the proposed Article 30, and change the numbering of Articles thereafter accordingly.

2. Description of the amendments

Description of the amendments are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
Chapter II General Provisions	Chapter II General Provisions
Article 2. The objectives of the Company shall be to engage in the following businesses. (1) (Omitted) (2) Sale of technical information materials and manufacturing technology related to the preceding item, and sale and installation of manufacturing equipment. (Omitted hereinafter)	Article 2. The objectives of the Company shall be to engage in the following businesses. (1) (Omitted) (2) Sale of technical information and manufacturing technology related to the preceding item, and sale and installation of manufacturing equipment. (Omitted hereinafter)
Chapter III General Meeting of Shareholders	Chapter III General Meeting of Shareholders
(Venue) Article 12. The General Meeting of Shareholders of the Company shall be convened in Osaka prefecture.	(Deleted)
	*The Article numbers move up by one each hereinafter.
Article 13. 1. Except as otherwise provided by laws and regulations, the President shall convene the General Meeting of Shareholders by a resolution of the Board of Directors. In the event that the President is unable to act, another Director, determined in accordance with an order of priority predetermined by a resolution of the Board of Directors, shall convene the General Meeting of Shareholders.	Article 12. 1. Except as otherwise provided by laws and regulations, the Representative Director, Member of the Board; President, Executive Officer shall convene and chair the General Meeting of Shareholders pursuant to a resolution of the Board of Directors. In the event that the Representative Director, Member of the Board; President, Executive Officer is unable to act, another Director, determined in accordance with an order of priority predetermined by a resolution of the Board of Directors, shall convene and chair the General Meeting of Shareholders.
2. The President shall chair the General Meeting of Shareholders. In the event that the President is unable to act, another Director, determined in accordance with an order of priority predetermined by a resolution of the Board of Directors, shall chair the General Meeting of Shareholders. (Omitted hereinafter)	2. (Deleted) (Omitted hereinafter)
Chapter IV Directors and Board of Directors	Chapter IV Directors, Board of Directors and Executive Officers
(Establishment of the Board of Directors) Article 18. (Omitted) Article 19. The number of Directors of the Company shall not exceed twelve. (Omitted)	(Establishment of the Board of Directors) Article 17. (Omitted) Article 18. The number of Directors of the Company shall not exceed eight. (Omitted)

Current Articles of Incorporation	Proposed amendments
Article 22. 1. The Company shall elect Representative Director(s) by a resolution of the Board of Directors. 2. The Representative Director shall represent the Company and execute operations of the Company. 3. The Board of Directors may appoint by its resolution one President, and as necessary, may elect one Chairman and several Senior Managing Directors and Managing Directors.	Article 21. 1. The Company shall elect Representative Director(s) by a resolution of the Board of Directors. (Deleted) *The Article numbers move up by one each hereinafter. 2. The Board of Directors may elect one Chairman.
(Person Who Convenes and Chairs the General Meeting of Shareholders) Article 23. Except as otherwise provided by laws and regulations, the President shall convene and chair a meeting of the Board of Directors. In the event that the President is unable to act, another Director, determined in accordance with an order of priority predetermined by a resolution of the Board of Directors, shall convene and chair the meeting of the Board of Directors.	(Person Who Convenes and Chairs the General Meeting of Shareholders) Article 22. Except as otherwise provided by laws and regulations, the Representative Director, Member of the Board; President, Executive Officer shall convene and chair a meeting of the Board of Directors. In the event that the Representative Director, Member of the Board; President, Executive Officer is unable to act, another Director, determined in accordance with an order of priority predetermined by a resolution of the Board of Directors, shall convene and chair the meeting of the Board of Directors.
(Omitted)	(Omitted)
(Newly established)	(Executive Officers) Article 30. 1. By a resolution of the Board of Directors, the Company may appoint Executive Officers to execute operations of the Company. 2. By a resolution of the Board of Directors, the Company may elect one President, Executive Officer, and other Executive Officers with titles from among Executive Officers. *The number of Article moves down by one each hereinafter.
(Omitted hereinafter)	(Omitted hereinafter)

Proposal 2: Election of Six Directors

The terms of office of all of the six Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of six Directors is proposed.

The candidates are as follows:

No.		Name	Current positions, responsibilities and significant concurrent positions
1	Reappointment	Tsuyoshi Inoue	Representative Director, Member of the Board; President, Executive Officer
2	Reappointment	Kimio Ouchi	Director, Member of the Board; Managing Executive Officer Representative Director, I.D.U. Co., Ltd. Representative Director, DKK Logistics Corporation
3	Reappointment	Hiroshi Kokubu	Director, Member of the Board; Managing Executive Officer General Manager, Operational Unit Vice President, Shandong Guangyin DKK New Materials Co., Ltd. Vice President, Shandong Guangyin DKK Environment Technology Co., Ltd. President, DKK (Shanghai) Materials Trading Co., Ltd.
4	Reappointment Outside Independent	Tetsuo Horiuchi	Outside Director, Member of the Board Independent Officer
5	Reappointment Outside Independent	Akira Okumura	Outside Director, Member of the Board Independent Officer
6	Reappointment Outside Independent	Hajime Nagahara	Outside Director, Member of the Board Independent Officer

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Tsuyoshi Inoue (May 27, 1960) Term of office as Director: 14 years (at close of this meeting) Attendance at Board of Directors meetings: 15/15 (100%)	Apr. 1986	Joined Sumitomo Electric Industries, Ltd.	787,428
		Sep. 2000	Joined the Company	
		Mar. 2005	General Manager, Equipment Division	
		June 2007	Director, Member of the Board; General Manager, Equipment Division	
		June 2008	Director, Member of the Board; General Manager, Corporate Planning Office	
		Mar. 2010	Executive Vice President, Member of the Board	
		June 2010	President	
		June 2020	Representative Director, Member of the Board; President, Executive Officer (to present)	
	[Reason for nomination as candidate for Director] Tsuyoshi Inoue has been involved in the management of the Group as President of the Company since June 2010. Although the financial performance of the Group temporarily slowed down in the difficult operating environment such as the so-called rare earth crisis and COVID-19 during this period, he has played a central role in promoting management structure reform and improvement of the revenue base, etc., and last year, he has realized expansion of the Gotsu Site in Shimane prefecture, and the start of full-scale operation at an American sales subsidiary. In addition, he has also developed the Group's medium-term business plan "DK-ONE Project" and is working to strengthen the Group's business and promoting its growth strategy from a global perspective. We nominate Tsuyoshi Inoue as a Director, Member of the Board of the Company for re-election because we expect that he can realize the management philosophy of the Company and contribute to the sustained enhancement of corporate value of the Company and the Group by drawing on his extensive experience and track record.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Kimio Ouchi (July 1, 1967) Term of office as Director: 13 years (at close of this meeting) Attendance at Board of Directors meetings: 15/15 (100%)	Apr. 1992 Joined the Company Sep. 2006 Branch Manager (Osaka Sales Office), Sales and Marketing Division Apr. 2008 Director, Member of the Board, I. D. U. Co., Ltd. June 2008 Director, Member of the Board; General Manager, Sales and Marketing Division Apr. 2011 Representative Director, Member of the Board, I. D. U. Co., Ltd. (to present) Apr. 2013 Managing Director, Member of the Board; Responsible for Sales and Marketing Division, Technology Division, and Corporate Planning Division Sep. 2013 Director, Member of the Board, Suihua Shanghai Trading Co., Ltd. (currently DKK (Shanghai) Materials Trading Co., Ltd.) Apr. 2016 Managing Director, Member of the Board, General Manager, Research and Development Office; General Manager, Intellectual Property Management Office; Responsible for Technology Division and Corporate Planning Division Jul. 2017 Representative Director, Member of the Board, DKK Logistics Co., Ltd. (to present) Apr. 2018 Managing Director, Member of the Board; Responsible for Research and Development Office, Intellectual Property Management Office and Technology Division, the Company Apr. 2019 Managing Director, Member of the Board; Responsible for R&D Unit June 2020 Director, Member of the Board; Managing Executive Officer (to present) [Significant concurrent positions] ・Representative Director, Member of the Board, I. D. U. Co., Ltd. ・Representative Director, Member of the Board, DKK Logistics Co., Ltd.	70,596

[Reason for nomination as candidate for Director]
Kimio Ouchi has outstanding knowledge and experience in the industry with many years of experience in the technology, sales and marketing divisions of the Company and their supervision, while concurrently serving as a representative director and a director at subsidiaries and affiliates in Japan and overseas. When a state of emergency was declared by the government last year, he promoted the “Work Style Reform in Kigenso’s Way” operation reform project for a shift from paper media to electronic media and improvement in labor productivity company-wide. In addition, he has supervised the technology, production and management divisions of the Company, which are the pillars for the Company’s business development. We nominate Kimio Ouchi as a Director, Member of the Board of Directors of the Company for re-election because we expect that he can play a significant part in broad division-making and such throughout the Group.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Hiroshi Kokubu (February 26, 1972) Term of office as Director: 8 years (at close of this meeting) Attendance at Board of Directors meetings: 15/15 (100%)	Apr. 1995 Joined the Sanwa Bank, Ltd. (currently the MUFG Bank, Ltd.) Oct. 2004 Joined the Company June 2009 Branch Manager (Tokyo sales Office), Sales and Marketing Division Mar. 2011 General Manager, Procurement Division June 2013 Director, Member of the Board; General Manager, Materials Division Jul. 2014 Vice President, Shandong Guangyin DKK New Materials Co., Ltd. (to present) Jul. 2014 Vice President, Shandong Guangyin DKK Environment Technology Co., Ltd. (to present) Apr. 2016 Director, I.D.U. Co., Ltd. Apr. 2016 Director, Member of the Board; General Manager, Sales and Marketing Division and Responsible for Procurement Division, the Company Dec. 2017 President, DKK (Shanghai) Materials Trading Co., Ltd. (to present) Apr. 2019 Director, Member of the Board; General Manager, Operational Unit, the Company Apr. 2020 Managing Director, Member of the Board; General Manager, Operational Unit June 2020 Director, Member of the Board; Managing Executive Officer, General Manager, Operational Unit (to present) [Significant concurrent positions] ・Vice President, Shandong Guangyin DKK New Materials Co., Ltd. ・Vice President, Shandong Guangyin DKK Environment Technology Co., Ltd. ・President, DKK (Shanghai) Materials Trading Co., Ltd.	84,745
	[Reason for nomination as candidate for Director] Hiroshi Kokubu has been involved in the sales and procurement functions at the Company and has played a significant role in the sales expansion of the products of the Company and the stable procurement of raw materials at low prices, etc. Since assuming the office of Director, he has been making efforts to ensure stable procurement of principal raw materials from overseas suppliers and to realize global business expansion, strengthening governance and relationships with stakeholders. He has also launched a plan to establish and promote a future vision toward the next medium-term business plan after “DK-ONE Project.” We nominate Hiroshi Kokubu as a Director, Member of the Board of Company for re-election because we expect that he can continue to realize the management philosophy of the Company and contribute to the sustained enhancement of corporate value of the Company and the Group by drawing on his extensive experience and track record while responding to changes in the external environment.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">4</td><td>Tetsuo Horiuchi
(January 5, 1946)

Term of office as Director: 9 years (at close of this meeting)
Attendance at Board of Directors meetings: 15/15 (100%)</td><td>Apr. 1972

June 2001
Apr. 2008

June 2009

Apr. 2011

June 2012</td><td>Joined Nitto Electric Industrial Co., Ltd. (currently Nitto Denko Corporation)
Director, Member of the Board
Director, Member of the Board; Managing Executive Officer; General Manager, Quality, Environment, and Safety Headquarters
Outside Director, Member of the Board; Hitachi Maxell, Ltd.
Outside Director, Member of the Board; Hitachi Maxell Energy, Ltd.
Outside Director, Member of the Board; the Company (to present)</td><td>3,000</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Outside Director and overview of expected roles]
Tetsuo Horiuchi is a candidate for Outside Director as provided by Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
Tetsuo Horiuchi has extensive experience in responsibilities including technology development and a general manager of a business division as well as knowledge and experience as a general manager of the Quality, Environment, and Safety Headquarters at Nitto Denko Corporation. In addition, he has extensive experience and broad insight as a corporate executive including serving as Director and Managing Executive Officer at Nitto Denko Corporation and as Outside Director at Hitachi Maxell, Ltd. Since assuming the office of Outside Director, Member of the Board of the Company in 2012, he has been actively providing opinions and suggestions at Board of Directors meetings on the management of the Group in general such as business expansion, investment and assessment of the effects, and improvement of corporate governance system, drawing on his external viewpoint and ideas, extensive experience and broad insight accumulated over many years, and has appropriately performed his roles including supervision over business execution as an Outside Director of the Company. Based on the above reasons, the Company believes that he can appropriately perform his duties as an Outside Director of the Company, and therefore nominates Tetsuo Horiuchi as an Outside Director, Member of the Board of the Company for re-election. The Company expects him to continue to fulfill the above roles upon election.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Akira Okumura
(October 26, 1948)

Term of office as Director: 6 years (at close of this meeting)
Attendance at Board of Directors meetings: 15/15 (100%)</td><td>Apr. 1973

Jan. 1998
Jul. 1999
Jan. 2011
Jul. 2012
June 2015</td><td>Joined BASF Dyes & Chemicals Co., Ltd. (currently BASF Japan Ltd.)
Managing Director
President, BASF INOAC Polyurethanes Ltd.
President, N.E. CHEMCAT CORPORATION
Advisor, INOAC CORPORATION
Outside Director, Member of the Board, the Company (to present)</td><td>5,400</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Outside Director and overview of expected roles]
Akira Okumura is a candidate for Outside Director as provided by Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
Akira Okumura worked for (current) BASF Japan Ltd.—the Japanese subsidiary of general chemicals company BASF SE, which is headquartered in Germany—for many years including serving as a Managing Director. Subsequently, he served as a President of N.E. CHEMCAT CORPORATION. This means that his knowledge and career experience cover various fields not only in practical business in joint ventures but also in management. Since assuming the office of Outside Director, Member of the Board of the Company in 2015, he has been actively providing opinions and suggestions at Board of Directors meetings on verification of the appropriate the management of the Group in general such as group business operations and investment projects from an independent position and perspective, drawing on his extensive experience and broad insight accumulated over many years, and has appropriately performed his roles including supervision over business execution as an Outside Director of the Company. Based on the above reasons, the Company believes that he can appropriately perform his duties as an Outside Director of the Company, and therefore nominates Akira Okumura as an Outside Director, Member of the Board of the Company for re-election. The Company expects him to continue to fulfill the above roles upon election.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">6</td><td>Hajime Nagahara
(September 25, 1953)

Term of office as Director: 1 year (at close of this meeting)
Attendance at Board of Directors meetings: 12/12 (100%)</td><td>Apr. 1978

Oct. 2003
Apr. 2006

Apr. 2007

June 2013
June 2017
June 2020</td><td>Joined Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corp.)
Group Fellow, Asahi Kasei Corp.
Executive Officer, in charge of Research & Development, Asahi Kasei Chemicals Corp.
Director and Senior Executive Officer, in charge of Research & Development, Asahi Kasei Chemicals Corp.
Corporate Auditor, Asahi Kasei Corp.
Advisor, Asahi Kasei Corp.
Outside Director, Member of the Board, the Company (to present)</td><td>3,000</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Outside Director and overview of expected roles]
Hajime Nagahara is a candidate for Outside Director as provided by Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
Hajime Nagahara has been involved in the technology development and production of chemical products at Asahi Kasei Corp. as an expert in catalytic chemistry and process chemistry. He has held important positions such as a President of Catalysis Society of Japan. He also drew on his extensive experience, knowledge and in-depth expertise in chemical technology in general, and was committed to teaching younger people at several universities. He has been involved in company management as a Director and Senior Executive Officer of former Asahi Kasei Chemicals Corp. since 2007 and as a Corporate Auditor of Asahi Kasei Corp. since 2013. Since assuming the office of Outside Director, Member of the Board of the Company in 2020, he has provided advice from an independent standpoint and objective view based on both technology and management to enhance the business competitiveness of the Group as well as improvement in supervision functions and corporate value, drawing on his extensive experience and broad insight accumulated over many years, and has appropriately performed his roles including supervision over business execution as an Outside Director of the Company. Based on the above reasons, the Company believes that he can appropriately perform his duties as an Outside Director of the Company, and therefore nominates Hajime Nagahara as an Outside Director, Member of the Board of the Company for re-election. The Company expects him to continue to fulfill the above roles upon election.</td></tr>
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(Notes)

1. No conflict of interest exists between the Company and any of the above Director candidates.
2. The number of shares of the Company held does not include the number of shares held through the Officers Stock Ownership Plan.
3. Tetsuo Horiuchi, Akira Okumura, and Hajime Nagahara are candidates for Outside Director. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company entered into an agreement with Tetsuo Horiuchi, Akira Okumura, and Hajime Nagahara to limit their liability for damages prescribed in Article 423, Paragraph 1 of the same Act. The amount of their respective total maximum liability for damages under the said agreement is the higher of 5,000,000 yen or the minimum liability amount prescribed in Article 425, Paragraph 1 of the same Act. The Company plans to continue the said agreement with Tetsuo Horiuchi, Akira Okumura, and Hajime Nagahara if they are reelected as proposed. The Company has designated Tetsuo Horiuchi, Akira Okumura, and Hajime Nagahara as independent officers of the Company pursuant to the rules of the Tokyo Stock Exchange with appropriate filings of the designation with the Exchange.
4. The Company has concluded a directors and officers liability insurance contract with an insurance company as set forth in Article 430-3, Paragraph 1 of the Companies Act to cover statutory damages and litigation fees incurred by the insured. The candidates will be insured under the insurance contract. The Company plans to retain the insurance contract with the same terms and conditions at the time of renewal.

[Reference] List of Members of Board of Directors after Election (Plan)

	Name	Positions, responsibilities and significant concurrent positions at the Company
Reappointment	Tsuyoshi Inoue	Representative Director, Member of the Board; President, Executive Officer
Reappointment	Kimio Ouchi	Director, Member of the Board; Managing Executive Officer Representative Director, I.D.U. Co., Ltd. Representative Director, DKK Logistics Corporation
Reappointment	Hiroshi Kokubu	Director, Member of the Board; Managing Executive Officer, General Manager, Operational Unit Vice President, Shandong Guangyin DKK New Materials Co., Ltd. Vice President, Shandong Guangyin DKK Environment Technology Co., Ltd. President, DKK (Shanghai) Materials Trading Co., Ltd.
Reappointment	Tetsuo Horiuchi	Outside Director, Member of the Board Independent Officer
Reappointment	Akira Okumura	Outside Director, Member of the Board Independent Officer
Reappointment	Hajime Nagahara	Outside Director, Member of the Board Independent Officer

Proposal 3: Election of One Substitute Audit & Supervisory Board Member

In order for the Company to maintain uninterrupted auditing activities even in the event where the number of Audit & Supervisory Board Members fails to meet the quorum requirement, the Company proposes the election of Takao Mizuno as substitute Outside Audit & Supervisory Board Member.

This resolution may be canceled by the Board of Directors' resolution with the consent of Audit & Supervisory Board only before Takao Mizuno's assumption of office.

This Proposal has obtained the Audit & Supervisory Board's prior consent.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
Takao Mizuno (February 14, 1962)	Mar. 1987 Apr. 2012 Apr. 2013 Apr. 2019 Apr. 2020	Joined the Company General Manager, Quality Assurance Division General Manager, General Affairs Division Deputy General Manager, Administration Unit; Site Manager, Osaka Site Deputy General Manager, Administration Unit (to present)	22,100

[Reason for nomination as candidate for substitute Audit & Supervisory Board Member]
Since joining the Company, Takao Mizuno has experienced technology divisions serving as General Manager of Production Management Center, and Assistant General Manager of Technology Division, having held managerial positions in management divisions including General Manager of Quality Assurance Division, General Manager of General Affairs Division, Deputy General Manager of Administration Unit, and Site Manager of Osaka Site. The Company considers that he has sufficient knowledge and experience in taking up the role of Audit & Supervisory Board Member of the Company, and thus nominates Takao Mizuno again as a candidate for substitute Audit & Supervisory Board Member.

(Notes)

1. The number of shares of the Company held does not include the number of shares held through the Employee Stock Ownership Plan.
2. Takao Mizuno has been elected as a substitute Audit & Supervisory Board Member at the 64th Annual General Meeting of Shareholders.

(Reference) Criteria for Election of Outside Directors and Outside Audit & Supervisory Board Members: "Criteria for Independence of Outside Officers" 1. through 3.

1. The Board of Directors of the Company recognizes that its Outside Directors*[1] or Outside Audit & Supervisory Board Members*[2] pursuant to the provisions of the Companies Act and the Regulation for Enforcement of the Companies Act (hereinafter collectively referred to as "Outside Officers") are independent in cases where Outside Officers do not fall under any of the following:

   (1) An executive*[3] of the Company and its subsidiaries (hereinafter collectively referred to as the "Group");
   (2) A counterparty to whom the Group is a major business client*[4] or an executive thereof;
   (3) A major business client of the Group*[5] or an executive thereof;
   (4) A major shareholder (i.e., shareholder whose direct or indirect holding of voting rights accounts for 10% or more of the total number of voting rights) of the Company or an executive thereof;
   (5) An executive of an investee in which the Group is a large investor (i.e., investee whose voting rights held by the Company account for 10% or more of the total number of voting rights);
   (6) A director (limited to a person who executes operations) or other executive of an organization that receives a donation or grant exceeding a certain amount (i.e., 10 million yen per year on average over the past three years or 30% of the annual total expenses of such organization, whichever is higher) from the Group;
   (7) An executive of a financial institution or other major creditor that is indispensable for the Company in raising funds and depended upon by the Company to the extent that there is no substitute;
   (8) An attorney, certified public accountant, certified tax accountant or a consultant who has received monetary or other property benefits in the amount of 10 million yen or more per year on average over the past three years other than officer compensation from the Group;
   (9) A certified public accountant or an executive, partner or employee of an audit corporation serving as an accounting auditor or accounting advisor of the Company or its subsidiaries;
   (10) An executive at another company in which an executive of the Group is currently serving or has served in the past three years as outside officer;
   (11) A person who has fallen under (1) above in the past ten years;
   (12) A person who has fallen under (2) through (10) above in the past three years; or
   (13) A person who falls under (1) through (12) above who is a close relative, etc.*[6] of an important executive.*[7]

2. Being an independent officer requires that the person essentially be free of risk of conflict of interest with ordinary shareholders of the Company as a whole at all times in circumstances other than the factors taken into consideration in (1) through (12) above.

3. Upon the election of an independent officer, the recommendation or consent of at least one independent Director or independent Audit & Supervisory Board Member must be obtained.

*1 "Outside Director" means "Outside Director" as defined in Article 2, item (xv) of the Companies Act.
*2 "Outside Audit & Supervisory Board Member" means "Outside Company Auditor" as defined in Article 2, item (xvi) of the Companies Act.
*3 "Executive" means "Executive" as defined in Article 2, paragraph (3), item (vi) of the Regulation for Enforcement of the Companies Act.
*4 "A counterparty to whom the Group is a major business client" means a party who received from the Group payments accounting for 2% or more of said party's annual consolidated gross sales in the latest fiscal year.
*5 "A major business client of the Group" means a business client to whom the amount of sales of the Group to such business client in the latest fiscal year accounted for 2% or more of the Group's consolidated net sales.
*6 "Close relative, etc." means a relative within the second degree of kinship and an interested person who shares living expenses.
*7 "Important executive" means an executive director, person responsible for a division, or other people who execute important operations.