TRANSLATION

Securities Code 4004
(Date of publication) March 5, 2025
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TO OUR SHAREHOLDERS:

Resonac Holdings Corporation.
9-1, Higashi-Shimbashi 1-Chome, Minato-ku,
Tokyo, Japan

Hidehito Takahashi
President and Chief Executive Officer

Notice of Convocation of the 116th Ordinary General Meeting of Shareholders

The 116th Ordinary General Meeting of Shareholders of Resonac Holdings Corporation will be held as described below and you are cordially invited to attend the Meeting.

With regard to the convocation of this Meeting of Shareholders, the Company has introduced provision of information concerning the Meeting including the contents of Reference Materials for the General Meeting of Shareholders (information subject to electronic provision) via electronic measures. The Company has put such information on the Company's Website on the Internet. Therefore, if necessary, please access the Company's Website and confirm the contents of the document.

URL for Resonac Holdings Corporation's Website:
https://www.resonac.com/ir/stock-bond-information/report.html

The information subject to electronic provision is published not only via the Company's Website mentioned above, but also via the Website of Tokyo Stock Exchange, Japan Exchange Group (JPX). Therefore, if necessary, please access the JPX's website, and search for the information concerning Resonac Holdings Corporation by inputting the Company's securities code 4004 into the window of the search engine titled "Listed Company Search," then click "Basic information," and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

Tokyo Stock Exchange (TSE) website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Instead of attending the Meeting, you can exercise your voting rights in writing or by electronic measures (including the use of the Internet). If you want to do so, please exercise your voting rights after reviewing the documentary materials for the 116th ordinary general meeting of shareholders (Reference Materials for the General Meeting of Shareholders, Business Report, etc.) published through the above mentioned website.

1. **Date and Hour** — Wednesday, March 26, 2025 at 10:00 a.m. (Reception of shareholders starts at 9:00 a.m.)
2. **Place** — Tokyo International Forum (Hall B7)
   5-1, Marunouchi 3-Chome, Chiyoda-ku, Tokyo, Japan
3. **Matters constituting the Purpose of the Meeting:**
   Matters to be Reported:
   (1) Reports on the Business Report and the Consolidated Financial Statements for the 116th Business Term (January 1, 2024 to December 31, 2024), and reports on the Auditing Results from Accounting Auditors and the Audit & Supervisory Board.
   (2) Reports on the Non-consolidated Financial Statements for the 116th Business Term (January 1, 2024 to December 31, 2024).

Matters to be Resolved:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Partial Amendment to the Articles of Incorporation
Proposal No. 3: Election of Nine Directors
Proposal No. 4: Revision of the Maximum Amount of Compensation Payable to Directors
Proposal No. 5: Partial Revision of the Stock Compensation Scheme for Directors

4. Other Matters that have been decided by the Board of Directors before Convocation:

1) If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval for a proposal, it will be treated as if you indicated your approval for the proposal.
2) Among the information subject to electronic provision, under the provisions of relevant laws and Article 15 of the Articles of Incorporation of the Company, the following information and documents are not included in this Notice of Convocation provided for shareholders who requested to receive the Notice as printed documents. Therefore, Consolidated Financial Statements and Non-consolidated Financial Statements included in this Notice and its Accompanying Documents are part of those documents audited by Auditors and Audit & Supervisory Board Members during the process to produce the Audit Report.
   a) "Main Business," "Main Sales Offices and Business Sites," "Status of Employees," "Accounting Auditor Status," and "Creation and Improvement of Internal Control System" in the Business Report
   b) "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements"
   c) "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements"
   d) "Accounting Auditor's Audit Report on the Consolidated Financial Statements" and "Accounting Auditor's Audit Report"
3) If the voting rights are exercised both in writing and via the Internet, etc., the voting via the Internet, etc. will be regarded as effective. If the voting rights are exercised repeatedly via the Internet, etc., the last voting will be regarded as effective.

5. Methods for exercising voting rights for shareholders who do not expect to attend the Meeting:

1) Exercise of voting rights in writing (by mail)

Please indicate your consent or dissent to the proposals on the enclosed Card for Exercise of Voting Rights, and return it by mail to reach us no later than 5:45 p.m. on Tuesday, March 25, 2025.

2) Exercise of voting rights via the Internet, etc.

Please log on to the designated website for exercise of voting rights at https://soukai.mizuho-tb.co.jp/. Enter your code number and password as provided on the enclosed Card for Exercise of Voting Rights and, by following the instructions on the computer screen, enter your consent or dissent and send it to reach us no later than 5:45 p.m. on Tuesday, March 25, 2025.

For your information, we are also a member to the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc.

✧ Upon attending the Meeting, please present the enclosed Card for Exercise of Voting Rights to the receptionist.
✧ When the need arises to amend the information subject to electronic provision, such amendments will be announced on the Company's Website and JPX's Website.
✧ When the need arises to amend operations of this ordinary general meeting of shareholders, such amendments will be announced on the Company's Website.

Reference Materials for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

It is proposed that surplus be appropriated as follows:

It is the Company's basic policy to decide on the distribution of dividends in consideration of earnings performance of the relevant business term and the need to retain earnings for future business development.

Concerning the term-end dividends for this term, the Company, after considering the business results of the term as well as the need to improve future competitiveness and financial strength, proposes a term-end dividend as described below.

There is no matter related to the appropriation of other surplus.

(1) Type of dividend assets

Cash

(2) Matters related to the appropriation of dividend assets and total amount thereof:

65 yen per common share of the Company Total amount: 11,787,126,910 yen

(3) Effective date for appropriation of surplus:

March 27, 2025

Proposal No. 2: Partial Amendment to the Articles of Incorporation

1. Reasons for proposal

(1) Establishment of provisions to enable the Company to hold general meetings of shareholders without a designated location (Article 12, Section 3)

As a result of the enforcement of the Act on Partially Amending the Act on Strengthening Industrial Competitiveness and Other Acts, it is now possible for a listed company to hold a general meeting of shareholders without a designated location (a virtual-only general meeting of shareholders) under certain conditions as established in the Articles of Incorporation. Accordingly, the Company proposes the establishment of Article 12, Section 3 so that it is able to hold general meetings of shareholders without a designated location.

In making this change, the Minister of Economy, Trade and Industry and the Minister of Justice have confirmed that the requirements specified in the Order of the Ministry of Economy, Trade and Industry and the Order of the Ministry of Justice are met.

(2) Deletion of relevant provisions with the abolishment of the advisor system (Article 27)

As the Company has resolved to abolish its advisor system at a meeting of the Board of Directors, the Company proposes to delete Article 27.

Furthermore, in line with the deletion, the articles that follow the current Article 28 shall be renumbered.

2. Content of amendments

Content of amendments are as follows:

(The underlined parts represent changes.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 to 11 (text omitted)	Articles 1 to 11 (Unchanged)
(Convocation of Shareholders' Meetings) Article 12 (text omitted) (2) (text omitted) (Newly Established)	(Convocation of Shareholders' Meetings) Article 12 (as currently stated) (2) (Unchanged) (3) This Corporation may hold a general meeting of shareholders without a designated location.
Articles 13 to 26 (text omitted)	Articles 13 to 26 (Unchanged)
(Appointment of Advisors) Article 27: The board of directors may, by resolution, appoint advisors.	(Deletion)
Articles 28 to 43 (text omitted)	Articles 27 to 42 (Unchanged)

Proposal No. 3: Election of Nine Directors

The term of office of all the nine Directors is to expire at the close of this ordinary general meeting of shareholders.

The Company proposes election of nine Directors.

The list of candidates for Directors is as follows:

Candidate No.	Name	Current Position and Duties at the Company	Statuses
1	Hidehito Takahashi	Representative Director; President and Chief Executive Officer (CEO)	To be reelected
2	Kohei Morikawa	Chairman and Director Chairman of the Board of Directors	To be reelected
3	Hideki Somemiya	Director; Managing Corporate Officer; Chief Financial Officer (CFO)	To be reelected
4	Tomomitsu Maoka	Director; Managing Corporate Officer; Chief Strategy Officer/Chief Risk Management Officer (CSO/CRO)	To be reelected
5	Nori Imai	Director; Managing Corporate Officer; Chief Human Resource Officer (CHRO)	To be reelected
6	Tetsuo Tsuneishi	Director	To be reelected Outside Independent
7	Kenji Yasukawa	Director	To be reelected Outside Independent
8	Masaru Onishi		To be newly elected Outside Independent
9	Izumi Sakakibara		To be newly elected Outside Independent

To be reelected : Candidate for Director to be reelected

To be newly elected : Candidate for Director to be newly elected

Outside : Candidate for Outside Director

Independent : Candidate for Independent Director under the provisions of the stock exchange

1 Hidehito Takahashi

To be reelected

Date of Birth: July 21, 1962
Term of office as Director: 8 years
Number of Shares of the Company Held: 15,600 shares
Number of attendances at the Board of Directors' meetings: 15/15

Reason for nomination as a candidate for Director

He has proven track record as corporate executive in his previous jobs. After joining the Company (Showa Denko K.K., current Resonac Holdings Corporation), he took charge of corporate planning section. In 2020, he was appointed as the Chief Strategy Officer (CSO) of the Company, and promoted growth strategy of the entire Company. Furthermore, since January 2022, he has been supervising and promoting management strategy of the Group as Representative Director, President and Chief Executive Officer (CEO) of the Company. He also completed the integration of the Company and Showa Denko Materials Co., Ltd. (current Resonac Corporation). Following the integration, he has focused his efforts on developing personnel that will make the company a Co-Creative Chemical Company.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director, and enough knowledge and business experience concerning each business of the Company, which are essential to realize Corporate Philosophy of the Group. Based on these, the Company judged he is suitable for Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1986	Joined Mitsubishi Bank, Ltd. (current MUFG Bank, Ltd.)
February 2002	Joined GE Japan Holding Corporation, General Manager, Business Development Department
October 2004	Asia Pacific President, GE Sensing & Inspection Technologies, GE Japan Holding Corporation
October 2008	President & CEO, Silicones Business, Momentive Performance Materials Japan Inc.
January 2013	President & CEO, GKN Driveline Japan plc
October 2015	Joined the Company Senior Corporate Fellow, Assistant to President
January 2016	Corporate Officer; General Manager, Corporate Strategy Department
January 2017	Managing Corporate Officer
March 2017	Director; Managing Corporate Officer
July 2017	Director; Managing Corporate Officer; General Manager, Carbon Division
January 2020	Director; Managing Corporate Officer; Chief Strategy Officer (CSO)
June 2020	Director, Showa Denko Materials Co., Ltd.
January 2022	Representative Director; President and Chief Executive Officer (CEO), Showa Denko K.K. (current Resonac Holdings Corporation) (incumbent) Representative Director; President and Chief Executive Officer (CEO), Showa Denko Materials Co., Ltd.
January 2023	Representative Director; President and Chief Executive Officer (CEO), Resonac Corporation (incumbent) (up to the present)

Important Concurrent Post

Representative Director, President and Chief Executive Officer (CEO), Resonac Corporation

2 Kohei Morikawa

To be reelected

Date of Birth: June 6, 1957
Term of office as Director: 9 years
Number of Shares of the Company Held: 27,500 shares
Number of attendances at the Board of Directors' meetings: 15/15

Reason for nomination as a candidate for Director

After joining the Company (Showa Denko K.K., current Resonac Holdings Corporation) and taking charge of the R&D and Chemicals sections, in 2017, he was appointed as Representative Director, President and Chief Executive Officer (CEO), and has been supervising and promoting business strategy of the whole Company since then. Since 2022, he has served as Representative Director and Chairman of the Board of Directors, promoting reforms to the Board with the aim of improving its monitoring functions.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. As Chairman of the Board of Directors, he has been promoting the effectiveness of the Board of Directors and strengthening of its supervisory function to enhance corporate value. Based on these, the Company judged that he is suitable for the position, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1982	Joined the Company
January 2013	Corporate Officer; General Manager, Electronic Chemicals Division
January 2016	Managing Corporate Officer; Chief Technology Officer (CTO)
March 2016	Director; Managing Corporate Officer; Chief Technology Officer (CTO)
January 2017	Representative Director; President and Chief Executive Officer (CEO)
January 2022	Representative Director; Chairman of the Board of Directors (incumbent)
March 2024	Chairman and Director (incumbent) (up to the present)

Important Concurrent Post

Chairman, Japan Association for Chemical Innovation
President, The Society of Chemical Engineers, Japan

3 Hideki Somemiya

To be reelected

Date of Birth: February 14, 1968
Term of office as Director: 3 years
Number of Shares of the Company Held: 29,700 shares
Number of attendances at the Board of Directors' meetings: 15/15

Reason for nomination as a candidate for Director

He has an excellent track record as financial officer of foreign affiliated investment banks and industrial companies. Thus, he has expert knowledge of corporate finance and accounting which is deemed necessary for realization of Corporate Philosophy of the Group. He is leading our financial and accounting strategies with the aim of increasing the Company's profitability and corporate value.
He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. Based on these, the Company judged he is suitable for Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1990	Joined Nomura Research Institute, Ltd., and assigned to Office for Research in Corporate Finance
June 1997	Joined Nomura Securities Co., Ltd. Deputy Head Researcher, Institute for Financial Research
May 1999	Joined Merrill Lynch Japan Securities Co., Ltd. (current BofA Securities Japan Co., Ltd.)
January 2007	General Manager, Telecommunication & Media Technology Group, Merrill Lynch Japan Securities Co., Ltd.
July 2009	Joined JPMorgan Securities Japan Co., Ltd., General Manager, Technology, Media & Telecommunication Group, Investment Banking Headquarters
July 2015	Joined Sony Corporation (current Sony Group Corporation), Vice President attached to CFO, Chief Financial Strategist
May 2016	Temporarily transferred to Sony Semiconductor Solutions Corporation
June 2016	General Manager, Corporate Strategy Headquarters, Sony Semiconductor Solutions Corporation
December 2016	General Manager, Planning & Administration Headquarters (CFO), Sony Semiconductor Solutions Corporation
June 2019	General Manager, System Solution Division, Sony Semiconductor Solutions Corporation
July 2020	Corporate Officer in charge of solution business, Sony Semiconductor Solutions Corporation
March 2021	Officer Attached to CFO in charge of special assignment, Sony Corporation (current Sony Group Corporation)
October 2021	Joined the Company (Showa Denko K.K., current Resonac Holdings Corporation), General Manager, Preparation Office for Group CFO
January 2022	Managing Corporate Officer; Chief Financial Officer (CFO) Managing Corporate Officer; Chief Financial Officer (CFO), Showa Denko Materials Co., Ltd. (current Resonac Corporation)
March 2022	Director; Managing Corporate Officer; Chief Financial Officer (CFO), Showa Denko K.K. (current Resonac Holdings Corporation) (incumbent)
January 2023	Director; Chief Financial Officer (CFO), Resonac Corporation (incumbent) (up to the present)

Important Concurrent Post

Director; Chief Financial Officer (CFO), Resonac Corporation

4 Tomomitsu Maoka

To be reelected

Date of Birth: May 10, 1974
Term of office as Director: 3 years
Number of Shares of the Company Held: 24,500 shares
Number of attendances at the Board of Directors' meetings: 15/15

Reason for nomination as a candidate for Director

He has an excellent track record as officer in charge of business operation at foreign affiliated industrial companies and an executive in charge of corporate planning and business in China at Japanese industrial companies. Thus, he has expert knowledge of corporate strategy planning and global corporate management, which is deemed necessary for realization of Corporate Philosophy of the Group. Furthermore, he proposes and promotes business strategies aimed at increasing the Company's corporate value.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. Based on these, the Company judged he is suitable for Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1999	Joined A.T. Kearney, Inc.
April 2005	Joined Infineon Technologies Japan K.K., General Manager in charge of Strategy in Japan
May 2009	General Manager, Industrial & Chip Card Business Headquarters, Infineon Technologies Japan K.K.
October 2010	General Manager, Industrial & Multi Market Business Headquarters, Infineon Technologies Japan K.K.
December 2011	Joined Lenovo Japan Corporation, Lenovo/NEC Project Director
April 2012	Strategy Director, Lenovo Japan Corporation
April 2013	Commercial Operations Director, Lenovo Japan Corporation
December 2013	Joined Renesas Electronics Corporation, General Manager, Corporate Planning, Planning Headquarters
December 2015	Corporate Officer; General Manager, Corporate Planning, Renesas Electronics Corporation
February 2016	Corporate Officer; Deputy General Manager, Second Solution Business Headquarters, Renesas Electronics Corporation
March 2017	Corporate Officer; China Business Headquarters, Renesas Electronics Corporation
April 2019	Corporate Officer; Deputy General Manager, Production Headquarters, Renesas Electronics Corporation
August 2019	Corporate Officer; Deputy General Manager, Automotive Solution Business Headquarters, Renesas Electronics Corporation
October 2021	Joined the Company (Showa Denko K.K., current Resonac Holdings Corporation), General Manager, Preparation Office for Group CSO
January 2022	Managing Corporate Officer; Chief Strategy Officer (CSO) Managing Corporate Officer; Chief Strategy Officer (CSO), Showa Denko Materials Co., Ltd. (current Resonac Corporation)
March 2022	Director; Managing Corporate Officer; Chief Strategy Officer (CSO), Showa Denko K.K. (current Resonac Holdings Corporation)
January 2023	Director; Chief Strategy Officer (CSO), Resonac Corporation
January 2024	Director; Managing Corporate Officer; Chief Strategy Officer/Chief Risk Management Officer (CSO/CRO), of the Company (incumbent) Representative Director; Chief Strategy Officer/Chief Risk Management Officer (CSO/CRO), Resonac Corporation (incumbent) (up to the present)

Important Concurrent Post

Representative Director; Chief Strategy Officer/Chief Risk Management Officer (CSO/CRO), Resonac Corporation

5 Nori Imai

To be reelected

Date of Birth: September 11, 1972
Term of office as Director: 1 year
Number of Shares of the Company Held: 5,300 shares
Number of attendances at the Board of Directors' meetings: 12/12

Reason for nomination as a candidate for Director

In addition to her experience with sales in the U.S. in Hitachi Chemical Co., Ltd. (later Showa Denko Materials Co., Ltd., current Resonac Corporation), she has been involved in the operations of multiple business segments and has experience in corporate planning. She served as an integration project leader during its integration with the Company (Showa Denko K.K., current Resonac Holdings Corporation). Since 2022, she has served as the Chief Human Resource Officer (CHRO) of the Company and led efforts to instill its purpose and values into the employees' mind, integrate the Company's human resource systems and framework, and demonstrated leadership in creating a foundation for transforming the Company's culture.

She has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out her duties as Director. Based on these, the Company judged she is suitable for Director, and nominated her as a candidate for Director.

Personal history and positions at the Company

April 1995	Joined Hitachi Chemical Co., Ltd.
April 2019	Executive Officer; Deputy General Manager, Mobility Business Headquarters and General Manager, Mobility Business Strategy Department, Hitachi Chemical Co., Ltd.
January 2020	Executive Officer; General Manager, Corporate Planning Department, Hitachi Chemical Co., Ltd
March 2020	Director; Corporate Officer; Chief Strategy Officer (CSO), Hitachi Chemical Co., Ltd.
January 2022	Corporate Officer; Chief Human Resource Officer (CHRO), of the Company Director; Corporate Officer; Chief Human Resource Officer (CHRO), Showa Denko Materials Co., Ltd.
January 2023	Chief Human Resource Officer (CHRO), Resonac Corporation
January 2024	Managing Corporate Officer; Chief Human Resource Officer (CHRO), of the Company Director; Chief Human Resource Officer (CHRO), Resonac Corporation (incumbent)
March 2024	Director; Managing Corporate Officer; Chief Human Resource Officer (CHRO), of the Company (incumbent) (up to the present)

Important Concurrent Post

Director; Chief Human Resource Officer (CHRO), Resonac Corporation

To be reelected

Outside

Independent

6 Tetsuo Tsuneishi

Date of Birth: November 24, 1952
Term of office as Director: 2 years
Number of Shares of the Company Held: 0 shares
Number of attendances at the Board of Directors' meetings: 15/15

Reason for nomination as a candidate for Outside Director and outline of expected roles

After services with a semiconductor manufacturing equipment company including a position in charge of overseas marketing, he led the company to prosperity. Thus, he has expertise and rich experience in global management and semiconductor business, which are necessary for the Group to realize its Corporate Philosophy. Since being appointed in 2023, he has used his insight as a corporate executive and expertise in corporate governance to provide valuable advice and led deliberations of the Nomination Advisory Committee from an objective standpoint as the committee chairman.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. We therefore judged he can appropriately fulfill his duties as Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1976	Joined Tokyo Electron Laboratories, Inc. (current Tokyo Electron Ltd.)
June 1987	General Manager, KLA Department, Tokyo Electron Ltd.
October 1990	General Manager, SPE 3 Division, Tokyo Electron Ltd.
April 1992	General Manager, Overseas Marketing Headquarters, Tokyo Electron Ltd.
June 1992	Corporate Director, Tokyo Electron Ltd.
June 1996	Executive Managing Director, Tokyo Electron Ltd.
June 1998	Executive Managing Representative Director, Tokyo Electron Ltd.
June 2003	Corporate Director; Senior Executive Vice President, Tokyo Electron Ltd.
June 2013	Corporate Director, Tokyo Electron Device Ltd. (incumbent)
June 2015	Corporate Director, Chairman of the Board of Directors, Tokyo Electron Ltd.
June 2017	Representative Director, Chairman of the Board of Directors, Tokyo Electron Ltd.
June 2020	Corporate Director, Chairman of the Board of Directors, Tokyo Electron Ltd.
March 2023	Outside Director, of the Company (incumbent) (up to the present)

Important Concurrent Post

Corporate Director, Tokyo Electron Device Ltd.

To be reelected

Outside

Independent

7 Kenji Yasukawa

Date of Birth: June 7, 1960
Term of office as Director: 1 year
Number of Shares of the Company Held: 0 shares
Number of attendances at the Board of Directors' meetings: 12/12

Reason for nomination as a candidate for Outside Director and outline of expected roles

He has experience in a major Japan pharmaceutical company which has been developing business globally and has recently undergone a corporate merger. There, he engaged in development work in the U.S. and was as well involved in the formulation of corporate strategy and social contribution activities, including supporting patients in developing countries. He possesses wide-ranging experience and expertise as an executive in a leading company in which diverse human resources thrive. Since being appointed in 2024, he has used his insight as a corporate executive to provide valuable advice from multifaceted standpoints and led deliberations of the Remuneration Advisory Committee from an objective standpoint as the committee chairman.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. We therefore judged he can appropriately fulfill his duties as Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1986	Joined Yamanouchi Pharmaceutical Co., Ltd. (current Astellas Pharma Inc.)
April 2005	Vice President, Project Management, Urology, Astellas Pharma Inc.
June 2010	Corporate Executive, Astellas Pharma Inc. and Therapeutic Area Head, Urology, Astellas Pharma Europe B.V.
October 2010	Corporate Executive, Astellas Pharma Inc. and Therapeutic Area Head, Urology, Astellas Pharma Global Development, Inc.
April 2011	Corporate Executive; Vice President, Product & Portfolio Strategy, Astellas Pharma Inc.
April 2012	Corporate Executive, Chief Strategy Officer (CSTO), Astellas Pharma Inc.
June 2012	Senior Corporate Executive, Chief Strategy Officer (CSTO), Astellas Pharma Inc.
April 2017	Senior Corporate Executive, Chief Strategy Officer and Chief Commercial Officer (CSTO & CCO), Astellas Pharma Inc.
June 2017	Representative Director, Executive Vice President, Chief Strategy Officer and Chief Commercial Officer (CSTO & CCO), Astellas Pharma Inc.
April 2018	Representative Director, President, Astellas Pharma Inc.
April 2023	Representative Director, Chairman of the Board, Astellas Pharma Inc. (incumbent)
March 2024	Outside Director, of the Company (incumbent) (up to the present)

Important Concurrent Post

Representative Director, Chairman of the Board, Astellas Pharma Inc.

To be newly elected

Outside

Independent

8 Masaru Onishi

Date of Birth: May 19, 1955

Number of Shares of the Company Held: 0 shares

Reason for nomination as a candidate for Outside Director and outline of expected roles

After accumulating experience in both the maintenance and planning sectors at a major Japanese airline company, he led the company's rehabilitation as a corporate executive, contributing to its resurgence. In addition, he possesses wide-ranging experience and insight as an outside director in various industries as well as deep knowledge of safety, which the Company prioritizes.

He has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out his duties as Director. We therefore judged he can appropriately fulfill his duties as Director, and nominated him as a candidate for Director.

Personal history and positions at the Company

April 1978	Joined Japan Airlines Co., Ltd.
April 2007	Representative Director, President, JAL Aircraft Maintenance Narita (current JAL Engineering Co., Ltd.)
June 2009	Representative Director, President, Japan Air Commuter Co., Ltd.
February 2010	Trustee Representative and President, Japan Airlines International Co., Ltd. (current Japan Airlines Co., Ltd.)
March 2011	Representative Director, President, Japan Airlines International Co., Ltd.
February 2012	Representative Director, Chairman, Japan Airlines Co., Ltd.
April 2014	Director, Chairman, Japan Airlines Co., Ltd.
July 2018	Senior Representative, External Affairs, Japan Airlines Co., Ltd.
	Visiting Professor, Toyo University (incumbent)
June 2019	Outside Director, TEIJIN LIMITED (incumbent)
	Outside Director, Mitsui O.S.K. Lines, Ltd. (incumbent)
February 2021	Senior Advisor, Alton Aviation Consultancy Japan Co., Ltd. (incumbent)
June 2021	Outside Director, Kadoya Sesame Mills Incorporated (incumbent)
June 2022	Outside Director, Benesse Holdings, Inc.
July 2024	Independent Director, Luup, Inc. (incumbent)
	(up to the present)

Important Concurrent Post

None

To be newly elected

Outside

Independent

9 Izumi Sakakibara

Date of Birth: January 1, 1959

Number of Shares of the Company Held: 0 shares

Reason for nomination as a candidate for Outside Director and outline of expected roles

She possesses strategic perspectives after accumulating experience in the establishment of heart transplant systems, among others, at the Ministry of Health and Welfare (current Ministry of Health, Labour and Welfare) and through a wide range of experience in the life science field, such as business development, portfolio restructuring and M&As in Japan and overseas, at a major chemicals company and a major pharmaceutical company in Japan.

She has high principles, wide-ranging insight, strict ethical view, fair judgement, and executive power, which are essential characters to carry out her duties as Director. We therefore judged she can appropriately fulfill her duties as Director, and nominated her as a candidate for Director.

Personal history and positions at the Company

April 1982	Joined Ministry of Health and Welfare (current Ministry of Health, Labour and Welfare), Health Policy Bureau
June 1992	Joined Toray Industries, Inc., Research Leader, Pharmacology IV Immunosuppressive Agents, Pharmacology Research Department, Pharmaceutical Research Laboratories
October 2010	General Manager, Pharmaceuticals Planning Department, Deputy General Manager, Pharmaceuticals and Medical Business Department, Toray Industries, Inc.
May 2012	Joined Otsuka Holdings Co., Ltd., Business Development Department General Manager, License Department, Otsuka Pharmaceutical Factory, Inc.
January 2017	Joined FUJIFILM Corporation, Senior Manager, Regenerative Medicine Business Department
October 2018	Senior Manager, Regenerative Medicine Business Department, Senior Manager, Pharmaceuticals Business Department, FUJIFILM Corporation Executive Director, General Manager, Business Development Department, FUJIFILM Toyama Chemical Co., Ltd.
June 2019	Senior Manager, Pharmaceuticals Business Department, FUJIFILM Corporation (General Manager, Business Development Department) (incumbent) Executive Officer, General Manager, Business Development Department, FUJIFILM Toyama Chemical Co., Ltd.
March 2022	Director, Executive Officer in Charge of Sales Division, General Manager, Business Development Department, FUJIFILM Toyama Chemical Co., Ltd.
July 2024	Executive Senor Advisor, FUJIFILM Toyama Chemical Co., Ltd. (incumbent) (up to the present)

Important Concurrent Post

None

Notes:
1. None of the candidates for the Directors has any special interest in the Company.
2. Mr. Masaru Onishi and Ms. Izumi Sakakibara are candidates to be newly elected.
3. Mr. Tetsuo Tsuneishi, Mr. Kenji Yasukawa, Mr. Masaru Onishi and Ms. Izumi Sakakibara are candidates for Outside Directors.
4. Mr. Tetsuo Tsuneishi and Mr. Kenji Yasukawa will have served as Outside Directors of the Company for two (2) years and one (1) year respectively at the close of this ordinary general meeting of shareholders.
5. Pursuant to the provisions of Articles of Incorporation, in case Mr. Tetsuo Tsuneishi and Mr. Kenji Yasukawa are reelected, the Company plans to extend the existing agreements with them limiting liability of Directors (excluding Executive Directors, etc.) for damages within a defined range. In addition, in case Mr. Masaru Onishi and Ms. Izumi Sakakibara are elected, the Company plans to conclude the same agreements with them. The amount of limited liability under the agreement shall be the minimum level stipulated by laws and regulations.
6. The Company has a directors and officers liability insurance policy with an insurance company, which is stipulated in Article 430-3, Section 1 of the Companies Act, in order to complement liabilities of insureds caused by claims for damages and the cost of lawsuit when insureds are claimed for damages due to their actions taken to fulfill their functions as Directors or Audit & Supervisory Board Members. The Company plans to include candidates for Directors in insureds if they are elected. In addition, the Company plans to renew the insurance policy with the same terms and conditions at the time of next renewal.
7. Pursuant to relevant rules of the Tokyo Stock Exchange, Inc. (TSE), the Company has notified the TSE that Mr. Tetsuo Tsuneishi and Mr. Kenji Yasukawa have been appointed as the Company's Independent Directors who will not have conflicting interests with general shareholders. In addition, the Company plans to notify the TSE that Mr. Masaru Onishi and Ms. Izumi Sakakibara have been nominated as candidates for the Company's Independent Directors.
   (1) Tokyo Electron Device Ltd., in which Mr. Tetsuo Tsuneishi has a concurrent position, and the Company do not have any special relationship.
   (2) Though Mr. Tetsuo Tsuneishi has served at Tokyo Electron Ltd., the amount of annual business transactions between the Company and Tokyo Electron Ltd. is less than 1% of consolidated net sales of both companies, and does not meet the condition to be recognized as major business acquaintance of the Company. We therefore judge Mr. Tetsuo Tsuneishi will not have conflicting interests with general shareholders.
   (3) Though Mr. Kenji Yasukawa is an officer of Astellas Pharma Inc., the amount of annual business transactions between the Company and Astellas Pharma Inc. is less than 1% of consolidated net sales of both companies, and does not meet the condition to be recognized as major business acquaintance of the Company. We therefore judge Mr. Kenji Yasukawa will not have conflicting interests with general shareholders.
   (4) Japan Airlines Co., Ltd., at which Mr. Masaru Onishi served, and the Company do not have any special relationship.
   (5) Though Ms. Izumi Sakakibara was an employee of Toray Industries, Inc., the amount of annual business transactions between the Company and Toray Industries, Inc. is less than 1% of consolidated net sales of both companies, and does not meet the condition to be recognized as major business acquaintance of the Company. We therefore judge Ms. Izumi Sakakibara will not have conflicting interests with general shareholders.
   (6) Otsuka Holdings Co., Ltd. and Otsuka Pharmaceutical Factory, Inc., of which Ms. Izumi Sakakibara was an employee, and the Company do not have any special relationship.
   (7) Though Ms. Izumi Sakakibara is an employee of FUJIFILM Corporation and FUJIFILM Toyama Chemical Co., Ltd., the amount of annual business transactions between the Company and FUJIFILM Corporation or FUJIFILM Toyama Chemical Co., Ltd. is both less than 1% of consolidated net sales of the Company and each of both companies, and does not meet the condition to be recognized as major business acquaintance of the Company. We therefore judge Ms. Izumi Sakakibara will not have conflicting interests with general shareholders.

[Reference]

Policies and procedures for nominating candidates for Directors

From the perspective of strengthening the supervisory function of the Board of Directors, the Company has established the Nomination Advisory Committee, where independent outside directors have a majority and an independent outside director serves as the committee chairman. The Nomination Advisory Committee reviews the reasons for the election of candidates, evaluates whether potential candidates meet the following election criteria, and determines the candidates for Directors to be submitted to the Board of Directors by the Nomination Advisory Committee.

Criteria for electing Directors

- A candidate must have high principles, wide-ranging insight, strict ethical view, and fair judgement, which are essential characters to fulfill a director's responsibility to enhance corporate value over the short, medium, and long terms.
- A candidate must demonstrate strong personal integrity, a firm commitment to fulfilling a director's responsibilities, and the ability to maintain both their physical and mental health.
- A candidate must be able to allocate sufficient time and effort to appropriately fulfill their role and responsibilities as a director.
- A candidate must not fall under any of the disqualifications for directors set forth in Article 331, Section 1 of the Companies Act.
- A candidate's appointment should contribute to maintaining diversity within the Board of Directors in terms of expertise, experience, and attributes, thereby ensuring efficient and effective corporate governance.

Additional criteria for electing Outside Directors

- A candidate must be capable of overseeing the Group's management, monitoring potential conflicts of interest between the Company and its management team, and providing appropriate guidance on business execution.
- A candidate must meet the Company's Independence Standards for Outside Officers.
- The term of office shall, in principle, be limited to four years. Any extension requires a request from the Nomination Advisory Committee and the individual's consent.

The Board of Directors deliberates on the candidates recommended by the Nomination Advisory Committee, determines the candidates for Directors to be presented at the General Meeting of Shareholders, and submits them for approval at the General Meeting of Shareholders.

Skill matrix

The Board of Directors (oversight) and the management team (execution) led by CEO, share the common goal of maximizing corporate value. While the Board of Directors, primarily led by Outside Directors, emphasizes its monitoring function, it also fosters deeper discussions through diverse opinions and recommendations that extend beyond monitoring. The Board of Directors identifies portfolio management, sustainability, and risk management as the most important perspectives and areas for oversight and discussion. To ensure effective monitoring, the Board of Directors sets appropriate and specific agenda items.

To facilitate effective discussions on agenda items, the Board of Directors has identified the following items as essential skills required for its members.

Skill	Reason
Global Business	In order to become a "company that can compete on the world stage," we must have world-class competitiveness and profitability. Therefore, we have identified "Global Business" as a key skill, requiring an understanding of country- and region-specific customs and cultures overseas, as well as management experience in international markets and global companies.
Portfolio Management	We are optimizing our business portfolio to become a "world-class functional chemical company." Therefore, we have identified "Portfolio Management" as a key skill for making strategic management decisions that contribute enhancing corporate value.
Sustainability	We have established company-wide financial and non-financial KPIs aligned with our material issues for sustainability (materialities) and ideal state, and we have formulated strategies for each business and function to drive our initiatives. Therefore, we have identified "Sustainability" as a key skill for evaluating our business and measures from an ESG perspective in order to contribute to the sustainable development of global society.
Risk Management	To become a "company that can compete on the world stage," we believe that identifying, evaluating, and appropriately managing increasingly complex and diverse global risks will enhance the quality of management decision-making and drive corporate value enhancement. Therefore, we have identified "Risk Management" as a key skill for evaluating measures to mitigate losses or impacts from unforeseen events.
Finance/Accounting/Capital Markets	We aim to maximize corporate value in line with the expectations of investors and capital markets. Therefore, we have identified "Finance/Accounting/Capital Markets" as a key skill, encompassing the ability to quantitatively assess management decisions and expertise in dialogue with investors.
Innovation	We aim to be a "company that contributes to a sustainable global society," with a strong focus on enhancing our capability to create innovations and to develop new businesses. Therefore, we have identified "Innovation" as a key skill, requiring expertise and experience in new business promotion, technological development, and business model transformation.
Personnel Development/Corporate Culture	We aim to develop autonomous, creative, and active human resources and culture, guided by our Purpose, which is to "change society through the power of chemistry." Therefore, we have identified "Personnel Development/Corporate Culture" as a key skill encompassing understanding the importance of recruiting and developing a diverse, competitive workforce with shared values, as well as fostering a corporate culture, and knowledge and experience in organizational management.
Legal/Compliance	We position safety and compliance as the foundations of our business operations, and we aim to gain credibility through responsible business operations by appropriately addressing the increasingly complex global legal and regulatory requirements. Therefore, we have identified "Legal/Compliance" as a key skill, requiring deep expertise and experience in legal and compliance areas.

If Proposal No. 3 is approved as originally proposed, the skill matrix of the Company's Board of Directors will be as follows:

	Name		Term of office (years)	Global Business	Portfolio Management	Sustainability	Risk Management	Finance/Accounting/ Capital Markets	Innovation	Personnel Development/ Corporate Culture	Legal/Compliance
Director	Hidehito Takahashi		8	●	●	●		●		●	
	Kohei Morikawa		9	●	●	●			●		
	Hideki Somemiya		3	●	●	●		●		●	
	Tomomitsu Maoka		3	●	●	●	●				●
	Nori Imai		1	●	●	●				●	
	Tetsuo Tsuneishi	Outside Independent	2	●				●		●	●
	Kenji Yasukawa	Outside Independent	1	●	●	●			●	●	
	Masaru Onishi	Outside Independent	-				●			●	●
	Izumi Sakakibara	Outside Independent	-	●	●	●			●		
Audit & Supervisory Board Member	Toshiharu Kato		6			●		●			
	Mitsuo Katayose		1		●				●		
	Masako Yajima	Outside Independent	5				●				●
	Yasuyuki Miyasaka	Outside Independent	3				●	●			
	Kiyoko Toda	Outside Independent	1					●			●

Proposal No. 4: Revision of the Maximum Amount of Compensation Payable to Directors

It was approved at the 113th ordinary general meeting of shareholders on March 30, 2022 that the amount of director compensation in money should not exceed ¥850 million a year (including ¥100 million a year for outside directors) and that up to ¥2,400 million (including ¥1,350 million for directors) should be contributed to a trust every three financial years for the acquisition of shares as performance-linked stock compensation payable to directors (excluding outside directors) and corporate officers.

To reform toward a "world-class functional chemical company," we are rapidly reviewing our business portfolio and intensifying investment in growth businesses. In order to offer attractive compensation that is fitting for a "company that can compete on the world stage" and to recruit and retain outstanding management personnel, we propose to revise our director compensation scheme starting in fiscal year 2025, with the aim of transitioning to a compensation level and scheme aligned with those of large manufacturing companies focused on global operations. Thus, we propose to revise our director compensation scheme according to the present proposal and Proposal No. 5 "Partial Revision of the Stock Compensation Scheme for Directors."

Based on deliberations of the Remuneration Advisory Committee, where independent outside directors have a majority, and in consideration of the trends of large manufacturing companies focused on global operations and others competing in business and for human resources, the extent of the Resonac Group's social role and responsibility, and changes in the management environment, we would like to newly set the maximum amount of basic compensation for directors and short-term incentive for directors (referred to as "compensation in money" in Proposal No. 4 and Proposal No. 5) at ¥1,100 million a year, including the maximum of ¥150 million a year for outside directors. We will continue to provide only basic compensation as compensation in money to outside directors. As for directors concurrently serving as employees, the amount of director compensation will continue to exclude the amount of compensation for employees. Furthermore, we will propose revisions to the stock compensation scheme in Proposal No. 5.

As for the amount of compensation to individual directors, we hope the matter will be left entirely to the Board of Directors, on condition that decisions will be made within the framework of the proposed revision, by the Remuneration Advisory Committee, which has been delegated by the Board of Directors, after deliberations of the Remuneration Advisory Committee. The number of directors now stands at nine (of which four are outside directors). If Proposal No. 3 is approved as originally proposed, the number of directors will not change.

We would like to revise the basic compensation to directors retroactive to January 2025. For directors in office from January through March 2025 (excluding non-executive directors, outside directors and those who will resign as directors after completion of the present general meeting of shareholders), we will pay three months' worth of revised basic compensation in accordance with respective positions less already-paid three months' worth of basic compensation before revision (so far as the number is positive). The payment will be made in a lump sum after completion of the present general meeting of shareholders.

Resonac's Board of Directors has established "Policy on Deciding Director Compensation" through deliberations at the Remuneration Advisory Committee. When Proposal No. 4 and Proposal No. 5 are approved, the Board of Directors will, after completion of the present general meeting of shareholders, change the policy accordingly. This proposal has been decided by the Board of Directors based on a report from the Remuneration Advisory Committee after deliberations and comprehensive consideration of the purpose of revision as well as rationality in view of the current levels and trends pertaining to companies competing in business and in the acquisition of human resources. Thus, we consider this proposal is reasonable (for details of revisions to Resonac's director and corporate officer compensation scheme after Proposal No. 4 and Proposal No. 5 are approved, please refer to "Reference: Outline of revisions to the compensation scheme for directors and corporate officers") on page 25.

Proposal No. 5: Partial Revision of the Stock Compensation Scheme for Directors

1. Reasons for proposal

At the 107th ordinary general meeting of shareholders on March 30, 2016, it was approved to introduce a performance-linked stock compensation scheme for directors (excluding outside directors) and corporate officers. This scheme is based on Board Benefit Trust, or BBT ("Old BBT Scheme"). At the 113th ordinary general meeting of shareholders on March 30, 2022, it was approved to partially revise the Old BBT Scheme (the scheme after the revision based on the above resolution of the general meeting of shareholders is hereinafter referred to as the "Current BBT Scheme"), and the Current BBT Scheme has been in effect to this day.

As explained in Proposal No. 4, in order to offer attractive compensation that is fitting for a "company that can compete on the world stage" and to recruit and retain outstanding management personnel, we propose to revise our director compensation scheme starting in fiscal year 2025, with the aim of transitioning to a compensation level and scheme aligned with those of large manufacturing companies focused on global operations. Accordingly, we are proposing to partially revise the Current BBT Scheme ("New BBT Scheme") and to introduce a stock compensation scheme that grants shares with transfer restrictions to directors until they retire, called a Board Benefit Trust-Restricted Stock (BBT-RS) ("BBT-RS Scheme") using a Board Benefit Trust in the same manner (the New BBT Scheme and the BBT-RS Scheme shall hereinafter collectively be referred to as "the Scheme").

This proposal adds non-executive directors and outside directors to the stock compensation scheme. Taking into consideration the trends of large manufacturing companies focused on global operations and others competing in business and for human resources, the extent of the Resonac Group's social role and responsibility, and changes in the management environment, we aim to raise awareness to contribute to enhancing medium-to-long-term corporate value by further clarifying the linkage between the compensation of directors and corporate officers ("Directors and Others") and Resonac's stock value, and by sharing both the merits of higher stock prices and the risks of lower ones with shareholders. In addition, the Board of Directors decided on this proposal after the Remuneration Advisory Committee reported that the details of the Scheme are appropriate based on the purpose of the Scheme and the effectiveness of the incentive grant in improving medium-to-long-term business results. Therefore, we consider this proposal is reasonable.

This proposal is separate from Proposal No. 4 (Revision of the Maximum Amount of Compensation Payable to Directors) where the maximum amount of compensation in money is set at ¥1,100 million a year, including a maximum of ¥150 million a year for outside directors (as for directors concurrently serving as employees, the amount of compensation as employees is not included in this figure). This proposal seeks approval for the amount and specific details of compensation in order to pay compensation to Resonac's directors under the Scheme. As for details of this scheme, we hope the matter will be left entirely to the Board of Directors, on condition that decisions will be made within the framework of 2. below. The details of compensation, etc. for individual directors will be determined by the Remuneration Advisory Committee, which has been delegated by the Board of Directors. The number of directors now stands at nine (of which four are outside directors). If Proposal No. 3 is approved as originally proposed, the number of directors will not change.

Resonac's Board of Directors has established "Policy on Deciding Director Compensation" through deliberations at the Remuneration Advisory Committee. When Proposal No. 4 and Proposal No. 5 are approved, the Board of Directors will, after completion of the present general meeting of shareholders, change the policy accordingly.

(For details of revisions to Resonac's director and corporate officer compensation scheme after Proposal No. 4 and Proposal No. 5 are approved, please refer to "Reference: Outline of revisions to the compensation scheme for directors and corporate officers" on page 25. Under the stock compensation scheme explained in the "Reference: Outline of revisions to the compensation scheme for directors and corporate officers," "performance share units (PSU)" correspond to the New BBT Scheme, and "Performance-linked RS" and "Restricted Stock (RS)" correspond to the BBT-RS Scheme.)

2. Amount of compensation and specific content of the Scheme

(1) Outline of the Scheme

The Scheme is a stock compensation scheme in which a trust acquires shares in Resonac using funds contributed by Resonac and these shares and cash equivalent to the market value of shares in Resonac ("Resonac's Shares, etc.") are granted by the trust to Resonac's Directors and Others pursuant to the Director Share Grant Regulations prescribed by the Board of Directors.

・New BBT Scheme

Resonac's Shares, etc. are granted to Directors and Others (excluding non-executive directors and outside directors) at a certain time each year, in principle. Following the revision to the New BBT Scheme, the points already granted under the Current BBT Scheme to Directors and Others (excluding non-executive directors and outside directors), except for those carried over from the Old BBT Scheme (please refer to the description of the BBT-RS Scheme below for information about points carried over from the Old BBT Scheme), shall be transferred to the New BBT Scheme and granted as Resonac's Shares, etc. at a time separately determined by Resonac after this ordinary general meeting of shareholders, subject to approval of this proposal. Whereas under the Current BBT Scheme, only shares in Resonac were granted, if the requirements stipulated in the Director Share Grant Regulations are met, a certain percentage may be provided in cash equivalent to the market value of Resonac's shares instead of as shares.

・BBT-RS Scheme

Resonac's shares are granted to Directors and Others (excluding non-executive directors and outside directors) at a fixed time each year, in principle, and cash equivalent to the market value of Resonac's shares is granted to Directors and Others (excluding non-executive directors and outside directors) when they retire, in principle. Resonac's shares are granted to non-executive directors and outside directors at a fixed time each year, in principle. However, cash equivalent to the market value of Resonac's share is not granted to non-executive directors and outside directors. Following the introduction of the BBT-RS Scheme, the points already granted under the Current BBT Scheme to Directors and Others that were carried over from the Old BBT Scheme shall be transferred to the BBT-RS Scheme and granted as Resonac's Shares, etc. at a time separately determined by Resonac after this ordinary general meeting of shareholders, subject to approval of this proposal. Under the BBT-RS Scheme, if Directors and Others are granted Resonac's shares during their term of office, they shall, prior to being granted Resonac's shares, enter into a transfer restriction agreement with Resonac as stipulated in 3. below. As a result, Resonac's shares granted to Directors and Others during their term of office shall be subject to restrictions on disposal such as by being transferred until such Directors and Others retire (however, if Directors and Others retire from office but continue to serve as Audit & Supervisory Board Members, the retirement of the relevant Audit & Supervisory Board Members shall be deemed their official retirement for the purposes of this proposal, unless otherwise specified).

(2) Targets of the Scheme

Directors (excluding Audit & Supervisory Board Members) and Corporate Officers

(3) Trust period

The trust period will be from May 2016 to the expiration of the Trust. (No specific expiration date is set for the Trust, which will remain in effect as long as the Scheme continues to be in force. The Scheme will terminate in the event of a stock exchange delisting of shares in Resonac, an abolition of the Director Share Grant Regulations or other circumstances.)

(4) Amount of funds contributed to the Trust (amount of compensation, etc.)

Resonac has introduced the Current BBT Scheme for three financial years from the one ended December 31, 2016 to the one ended December 31, 2018 (this period of initial three financial years, as well as each subsequent period of three financial years, are hereinafter referred to as "Target Period") and for each of subsequent Target Periods. Resonac contributed ¥400 million to the Trust at the time of its establishment as funds for the Trust to acquire shares in Resonac based on the Current BBT Scheme. Resonac subsequently contributed an additional ¥1,676 million in February 2024. Resonac's shares and cash remaining in the trust assets, which will be acquired by the Trust using funds contributed by Resonac, will be allocated as funding for benefits under the Scheme following its revision upon approval of this proposal (however, this excludes benefits pertaining to points already granted under the Old BBT Scheme and the Current BBT Scheme).

Furthermore, even after the approval of this proposal, Resonac shall make additional contributions of up to ¥2,200 million for directors (including ¥100 million for outside directors) and ¥1,350 million for corporate officers for each of the Target Periods, in principle, until the termination of the Scheme, as funds to acquire shares in Resonac to be granted to Directors and Others under the Scheme. If, however, in the event of

Resonac making such additional contribution, the trust assets contain any residual Resonac shares (excluding shares yet to be granted to Directors and Others, among Resonac shares corresponding to the number of points assigned to such executives) or any money (hereinafter collectively be referred to as "Residual Shares, etc.") on the last day of the Target Period immediately preceding the Target Period for which Resonac intends to make the additional contribution, the combined total value of the Residual Shares, etc. (the applicable value of the Resonac shares shall be the amount of their book value on the last day of the above-mentioned immediately-preceding Target Period) and the money shall be within the limits of the maximum amount according to this proposal subject to approval by the present general meeting of shareholders. Resonac may contribute funds to the Trust in multiple installments during the Target Periods, including the initial Target Period, provided that the cumulative amount of contributions during the Target Period does not exceed the aforementioned maximum limits. When additional contribution is decided, Resonac will disclose it in a timely and appropriate manner.

(5) Method for the Trust to acquire shares and the number of shares to be acquired

The Trust will acquire shares in Resonac by way of the exchange market or by underwriting shares of Resonac's treasury stock, using funds contributed according to (4) above. The upper limit of the total number of points to be granted to Directors and Others for each financial year will be 730,000 as described in (6) below. Thus, the upper limit of the total number of Resonac shares to be acquired by the Trust for each Target Period will be 2,190,000. Resonac will disclose details of share acquisition by the Trust in a timely and appropriate manner.

(6) Upper limit of the number of Resonac's Shares, etc. to be granted to Directors and Others

Standard points are granted to Directors and Others for each financial year according to his/her position as well as the market price of Resonac shares. As described below, the number of points granted to Directors and Others is determined by adjusting the number of standard points according to his/her position by multiplying it by a certain coefficient.

・New BBT Scheme

After three years, the standard points are multiplied by an evaluation coefficient pertaining to total shareholder return (TSR) over the relevant three years. (The coefficient is pre-set in the range of 0% to 240% based on both the relative TSR ranking order in the domestic chemical industry and a comparison with the growth rate of a stock index composed of chemical companies in Europe and the U.S.) Thus, confirmed points are granted to respective Directors and Others (excluding non-executive directors and outside directors). Subsequently, the same procedure shall be continued with the TSR evaluation period rolling over every year to maintain a three-year evaluation period.

・BBT-RS Scheme

Each year thereafter, the standard points are multiplied by an evaluation coefficient based on the sustainability evaluation for that year and are granted annually to Directors and Others (excluding non-executive directors and outside directors) as confirmed points.

In the event that dividends are paid on Resonac shares within the Trust assets corresponding to monetary points (if the requirements stipulated in the Director Share Grant Regulations are met, a certain percentage of the points that will not be converted into Resonac's shares but will be paid in cash equivalent to the market value of Resonac's shares at the time of retirement) included in the total of the confirmed points given to Directors and Others (excluding non-executive directors and outside directors) as a result of dividend of surplus by Resonac, additional points will be given to Directors and Others (excluding non-executive directors and outside directors) by dividing the total dividend amount by the book value per share of Resonac shares held in the Trust as of the effective date of dividend payment. (Fractions less than one shall be rounded off.)

Furthermore, under the BBT-RS Scheme only, non-executive directors and outside directors shall be granted a predetermined number of points each financial year based on their position, in accordance with the Director Share Grant Regulations.

The total number of points granted per financial year to Directors and Others (the sum of the confirmed points granted to Directors and Others (excluding non-executive directors and outside directors), additional points to be added in the event of dividend payment, and points determined based on positions granted to non-executive directors and outside directors) shall be a maximum of 410,000 points for directors (including 20,000 points

for outside directors) and 320,000 points for corporate officers. These numbers have been decided after comprehensive consideration of the current level of director compensation, the number of Directors and Others, and future prospect. We consider these numbers to be reasonable.

Each point to be granted to Directors and Others is converted into one common share in Resonac on the occasion of the share granting mentioned in (7) below. (If, however, Resonac shares are subjected to a share split, gratis share allocation or share consolidation after this proposal is approved, the Trust will make a reasonable adjustment to the upper limit of the points, granted points, or conversion ratio, according to the applicable percentage figures.)

The number of shares (730,000) corresponding to the upper limit of points to be given to Directors and Others for one business year accounts for approx. 0.4% of the total stocks issued (as of December 31, 2024, after deduction of treasury stock).

The number of points for Directors and Others, used as a basis for granting Resonac's Shares, etc. in (7) below, shall be the number of points given to Directors and Others by the time of determination of the beneficial interest, in principle. (The points thus calculated will be hereinafter referred to as "Confirmed Points.")

(7) Granting of Resonac Shares, etc.

・New BBT Scheme

At a fixed point in time each year, in principle, Directors and Others (excluding non-executive directors and outside directors) who meet beneficiary requirements will be allowed, in principle, to receive Resonac shares from the Trust corresponding to an applicable number of Confirmed Points as stipulated in (6) above, by performing a specified beneficiary determination procedure. However, if the requirements stipulated in the Director Share Grant Regulations are met, a certain proportion of the payment may be received as a cash payment equivalent to the market value of the Resonac shares, instead of payment in shares. The Trust may sell Resonac's shares to secure funds for such payment in cash.

・BBT-RS Scheme

At a fixed point in time each year, in principle, Directors and Others (excluding non-executive directors and outside directors) who meet beneficiary requirements will be allowed, in principle, to receive Resonac shares from the Trust corresponding to an applicable number of Confirmed Points as stipulated in (6) above, by performing a specified beneficiary determination procedure. However, if the requirements stipulated in the Director Share Grant Regulations are met, a certain proportion of the payment may be received as a cash payment equivalent to the market value of the Resonac shares at the time of resignation, in principle, instead of payment in shares. The Trust may sell Resonac's shares to secure funds for such payment in cash. At a fixed point in time each year, in principle, non-executive directors and outside directors who meet beneficiary requirements will be allowed, in principle, to receive Resonac shares from the Trust corresponding to an applicable number of Definitive Points as stipulated in (6) above, by performing a specified beneficiary determination procedure. However, cash equivalent to the market value of Resonac's share is not granted to non-executive directors and outside directors.

Under the BBT-RS Scheme, if Directors and Others are granted Resonac's shares during their term of office, they shall, prior to being granted Resonac's shares, enter into a transfer restriction agreement with Resonac as stipulated in 3. below. As a result, Resonac's shares granted to Directors and Others during their term of office shall be subject to restrictions on disposal such as by being transferred until such Directors and Others retire.

Furthermore, if stipulated in the Director Share Grant Regulations, such as in the case of a resolution of dismissal at a general meeting of shareholders or resignation due to breach of duty, Resonac may not give a confirmed point related to standard points or may cancel already given points in whole or in part. This will also apply to a case of voluntary retirement, where the Remuneration Advisory Committee decides not to give a confirmed point related to standard points or to cancel already given points in whole or in part. In case of misconduct, Resonac may nullify the right to receive benefit or demand return of compensation after deliberations by the Remuneration Advisory Committee and by resolution of the Board of Directors, depending on the timing of misconduct and the timing of its revelation.

(8) Exercise of voting rights

On the instructions of the trust administrator, the Trust will uniformly not exercise voting rights for Resonac shares held in the trust account. This is intended to ensure the neutrality of Resonac's business management regarding the voting rights of such shares.

(9) Handling of dividends

The Trust will receive dividends for Resonac shares held in the trust account, and use them to acquire other shares in Resonac and pay trust fees payable to the trustee. Pursuant to the Director Share Grant Regulations, any such dividends remaining in the trust account at the termination of the Trust will be granted to Directors and Others serving Resonac at the time in proportion to the number of points held respectively.

(10) Procedure to be performed at trust termination

The Trust will terminate in the event of a stock exchange delisting of shares in Resonac, an abolition of the Director Share Grant Regulations or other circumstances. Resonac will acquire, without compensation, all Resonac shares among assets held in the trust account at the termination of the Trust, and retire them with the resolution of the Board of Directors. Any money contained in the residual assets held in the trust account at the termination of the Trust will be delivered to Resonac in an amount less the deduction of the amount to be granted to Directors and Others as stipulated in (9) above.

3. Overview of the transfer restriction agreement pertaining to Resonac shares delivered to Directors and Others

If Directors and Others are granted Resonac's shares during their term of office, they shall, prior to being granted Resonac's shares, enter into a transfer restriction agreement ("the Transfer Restriction Agreement") with Resonac, which includes the following details (Directors and Others shall only be granted Resonac's shares if they enter into the Transfer Restriction Agreement). However, if Directors and Others have already retired at the time of the share grant, Resonac's shares may be granted without entering into the Transfer Restriction Agreement.

(i) Details of transfer restrictions

Directors and Others may not transfer, pledge, or otherwise dispose of Resonac's shares granted to them from the date they are granted the shares until the date they retire from all officer positions at Resonac (however, the date of retirement of an officer who continues to serve as an Audit & Supervisory Board Member after retirement, shall be the date of retirement as an Audit & Supervisory Board Member).

(ii) Acquisition without compensation by Resonac

If certain acts of misconduct, etc., or in the event of failing to meet the requirements for cancellation of transfer restrictions as described in (3) below, Resonac shall acquire the relevant shares without compensation.

(iii) Lifting of transfer restrictions

If Directors and Others resign from all officer positions at Resonac for justifiable reasons or due to death, the transfer restrictions shall be lifted at the time of such resignation or death.

(iv) Treatment during reorganization, etc.

If a merger agreement or other organizational restructuring involving Resonac as the dissolving entity is approved at a general meeting of shareholders, etc., during the transfer restriction period, Resonac's Board of Directors may, by resolution, lift the transfer restrictions as of the end of the business day immediately preceding the effective date of such organizational restructuring.

Resonac's shares subject to transfer restrictions under the Transfer Restriction Agreement will be managed in a dedicated account, to be opened by the relevant Directors and Others at a securities company designated by Resonac, during the transfer restriction period to ensure that the shares cannot be transferred, pledged or otherwise disposed of during the transfer restriction period.

In addition to the above, the Transfer Restriction Agreement will include provisions regarding the method of expressing intent and giving notice, the procedures for amending the Transfer Restriction Agreement, and other matters as determined by the Board of Directors.

[Reference]

Outline of revisions to the compensation scheme for directors and corporate officers

To reform toward a "world-class functional chemical company," we are rapidly reviewing our business portfolio and intensifying investment in growth businesses. In order to offer attractive compensation that is fitting for a "company that can compete on the world stage" and to recruit and retain outstanding management personnel, we intend to revise our compensation scheme for directors and corporate officers, as outlined below, starting in fiscal year 2025, with the aim of transitioning to a compensation level and scheme aligned with those of large manufacturing companies focused on global operations. These revisions are based on the assumption that Proposal No. 4 and Proposal No. 5 are approved as originally proposed.

1. Composition and levels of compensation

The compensation for executive directors and corporate officers under the new scheme will consist of basic compensation (fixed compensation) based on position, etc., Short-Term Incentive (STI) that fluctuates based on business results each financial year, and Long-Term Incentive (LTI) that fluctuates based on medium-to-long-term business results and corporate value. The stock compensation (LTI) will consist of "Performance Share Unit (PSU)," which are granted as Resonac's common shares based on business results and share price over a three-year period, and "Performance-Linked RS," in which restricted stock (RS) is granted based on sustainability evaluation each financial year. Compensation levels will be increased, with a focus on variable compensation (STI and LTI), based on comparisons with major manufacturing companies that have global business at their core.

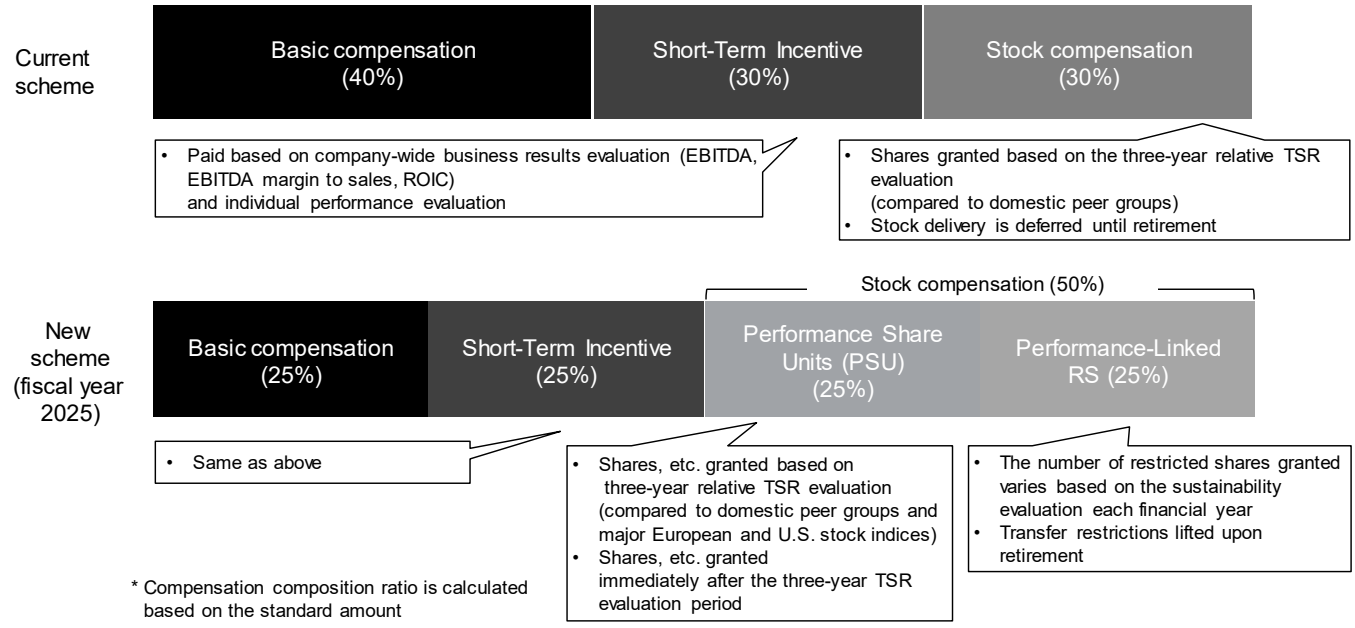
Compensation for Chairman of the Board of Directors (internal director) and outside directors will include Restricted Stock (RS) without performance conditions, in addition to basic compensation, to encourage them to supervise and advise management with a focus on medium-to-long-term corporate value enhancement.

Chart 1 Type of compensation and scope of payment

Type of compensation		Scope of payment	
Money/non-monetary	Composition	Executive directors Corporate officers	Chairman of the Board of Directors Outside directors
Money	Basic compensation	○	○
	Short-Term Incentive (STI)	○	-
Non-monetary (stock compensation: LTI)	Performance Share Units (PSU)	○	-
	Performance-Linked RS	○	-
	Restricted Stock (RS)	-	○

* Performance-Linked RS and Restricted Stock (RS) will be newly introduced from fiscal year 2025.

Chart 2　Percentage of compensation components for President and CEO (image)

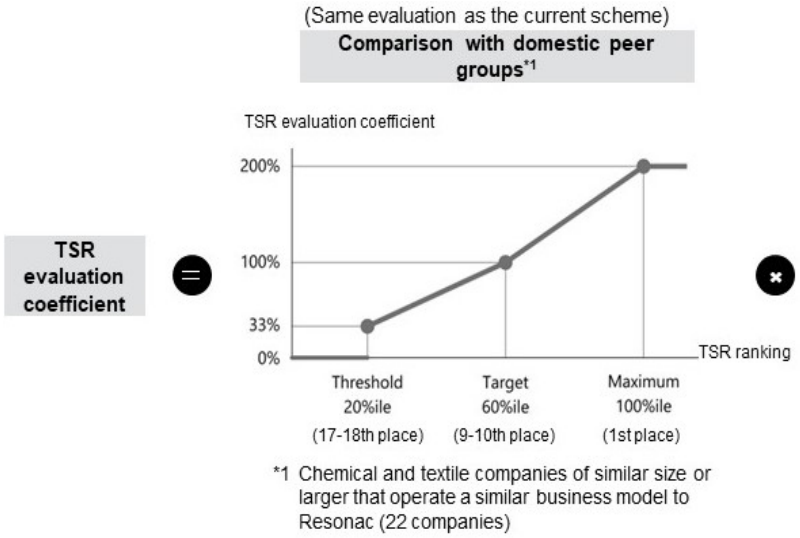


2. Stock compensation

(i) Performance Share Unit (PSU)

Resonac's PSU are designed to enhance corporate value over the medium to long term. The number of shares granted is calculated by multiplying the standard points, which correspond to the standard amount set by position, by a coefficient (0% to 240%) based on Resonac's total shareholder return (TSR) over a three-year period. The TSR evaluation coefficient will be determined by comparing the current Resonac's three-year TSR with domestic peer groups (chemical and textile companies of similar size or larger that operate a similar business model to Resonac) and with the growth rate of a stock index composed of chemical companies in Europe and the U.S. To ensure objectivity and transparency, benchmark indices that are widely recognized among shareholders and investors will be selected as stock indices in Europe and the U.S. Under the revised PSU system, Resonac's common shares will be granted every year after the three-year TSR evaluation period (subsequently, the TSR evaluation period rolls over every year to maintain a three-year evaluation period). A certain percentage of the granted shares (assumed to be 50% initially) will be paid in cash equivalent to their market value.

Chart 3　Overview of the TSR Evaluation in the 2025 Plan (Evaluation Period: January 2025 to December 2027)



(Newly added evaluation)

Comparison with major European and U.S. stock indices*2

TSR ÷ Index growth rate (average of Europe and the U.S.)	Adjustment coefficient
120% or more	**120%**
110%-120%	**110%**
90%-110%	**100%**
80%-90%	**90%**
Less than 80%	**80%**

*2 The STOXX Europe 600 Chemicals index will be used for Europe, and the S&P 500 Chemicals Industry Index growth rate will be used for the U.S.

(ii) Performance-Linked RS

Performance-Linked RS will be introduced in fiscal year 2025 to enhance stock price-conscious management and support the realization of Sustainability Vision 2030. Performance-Linked RS is designed to grant a number of restricted stock (RS) each financial year (after the end of each financial year) calculated by multiplying the standard points, which correspond to the standard amount set for each position, by a coefficient (85% to 115%) based on sustainability evaluation for each financial year. The granted RS will be non-transferable until retirement. A certain percentage of the calculated RS (assumed to be 30% initially) will be retained as points and paid in cash equivalent to the market value at the time of retirement.

(iii) Restricted Stock (RS)

Restricted Stock (RS) will be granted to Chairman of the Board of Directors (internal director) and outside directors each financial year (after the end of each financial year) to encourage them to supervise and advise management with a focus on medium-to-long-term corporate value enhancement. The granted RS will be non-transferable until retirement. RS granted to outside directors will be approximately 10% of basic compensation (excluding committee member and committee chairman allowances).